

Spanish Cabinet approves revised energy programme

BY ROBERT GRAHAM

MADRID, May 3.

THE Spanish Cabinet has approved, after a series of delays, a 10-year energy plan to run to 1987, with investments totalling \$30bn. (\$7.5bn.), which will be submitted to parliament.

Disagreement in the Cabinet over the plan was the major cause of the Government reshuffle in February, which in turn provoked further delays in the plan's finalisation. If significant alterations are proposed in parliament, its implementation originally intended for last January — could be further delayed.

The plan as it now stands differs in three main respects from that prepared by the former industry Minister, Sr. Alberto Alia.

Firstly, the controversial proposal to transfer the State's 51 per cent stake in the company

Campa, which has a monopoly of petroleum and petroleum products distribution in Spain, from the Ministry of Finance to the State holding company INI, was dropped.

This move to rationalise the State's energy holdings had encountered stiff opposition both from the Finance Ministry and from the private shareholders — essentially the big banks.

Secondly projected investment has been cut by some Ptas.50bn. (\$800m.), mainly by a scaling down of nuclear construction plans, from a projected 1,500 MW of new nuclear capacity by 1987 to a projected 9,500MW.

This envisages the coming on stream of seven nuclear power stations under construction, and three of the eight whose construction has already been authorised.

Suarez faces difficulties over party organisation

BY OUR OWN CORRESPONDENT

MADRID, May 3.

THE Spanish Prime Minister, Sr. Adolfo Suarez, is facing difficulties over the organisation of his party, the Union de Centro Democrático (UCD), which he founded in 1976.

The UCD, which is the party's chief co-ordinating body, presented its resignation to Sr. Suarez to enable him to carry out changes in its structure in the absence of any agreement to-day, these resignations remain on the table, but not accepted by Sr. Suarez.

The main immediate problem for the UCD is to find someone who can act as the party's chief co-ordinator and effective second in command, relieving Sr. Suarez of the day-to-day party problems.

The cabinet reshuffle in February, and the previous appointment of his close associate Sr. Leopoldo Calvo-Sotelo to be Minister in charge of Europe, has meant that all the people he trusts and values most are now in the Government.

The previous party organiser, Sr. Salvador Sanchez Teran, the seventh member of the Executive Committee, became Transport Minister in February and has not been replaced.

The difficulty of finding a proper co-ordinator of the party reflects the wider problem of establishing a unified UCD

The party, containing 12 main groupings, was formed in April last year, less than two months before the elections, and only formally constituted itself in August after it had obtained the single largest number of parliamentary seats in them.

Its initial survival was tied exclusively to the electoral success of Sr. Suarez. Since then Sr. Suarez has sought to mould the individual groupings into a unified party but with only limited success.

The UCD can be roughly grouped into three categories. First, there are those, like Sr. Suarez, who were the young apparition of the Franco regime and have no clearly defined ideology. Second, there are the Christian Democrats and right-wing elements, who are linked with business. Third, there are the moderates and liberals. These categories are not always clear-cut, especially as allegiances within the UCD centre round individuals.

The common link between the party's disparate groups remains a realisation that Sr. Suarez is the party's greatest asset. Until now he has preferred to postpone dealing with what would seem an inevitable crisis of identity.

Support for concessions to save Moro's life

By Dominick J. Coyle

ROME, May 3.

ITALY'S Red Brigades are understood to have convinced through go-betweens at least some politicians here, principally some Socialists and Christian Democrats, that the life of the kidnapped former Prime Minister Aldo Moro can be spared by concessions considerably less than those originally demanded.

For the moment, the minority Christian Democrat Government under Sig. Giulio Andreotti, and the main political parties supporting it, are resisting in public the Red Brigades' ultimatum for the release of 13 prisoners in exchange for Sig. Moro. This approach was confirmed again to-day by the Christian Democrat leadership in the Senate.

The Socialist leader, Sig. Bettino Craxi, is persisting with his endeavours to win all-party agreement for a still undisclosed "humanitarian plan" to save the life of the former Prime Minister. A number of Christian Democrat leaders say his proposal could have merit.

Sig. Craxi, while insisting publicly that the state cannot give into terrorist blackmail, is said to believe the Red Brigades may settle for much less than their original demands. He is believed to have proposed that the state, through the presidency and the executive, should move unilaterally and offer clemency to some left-wing prisoners.

Senior Milan judicial authority, Dr. Mario Daniele, has suggested that prison terms up to a maximum of two years be annulled in exchange for the liberation of Sig. Moro and a commitment by the Red Brigades to respect public peace for at least six months.

While seeming acceptable in principle to many members of the ruling party, the Socialist move is being resisted by the Communist and the Republican.

The opposition of the Communists could ultimately be the more compelling, since the party is committed to supporting the Andreotti Government in Parliament and might feel obliged to withdraw this support should the administration negotiate with the Red Brigades.

Even if the Socialists were to agree to enter a new coalition with the Christian Democrats, it is unlikely the Government could survive for long after a withdrawal of Communist support. The outcome might well be another premature general election for the Christian Democrats, having made apparent concessions to the terrorists, would not be able to campaign on a strong law and order ticket.

This could be a dangerous electoral stance for the ruling party, particularly in view of the regional and local elections due on May 14.

The Socialists, too, have electoral considerations in mind, and are not anxious to enter the May 14 contest with a label of being "soft on terrorism."

Marchais dismisses criticism as 'marginal'

BY DAVID WHITE

PARIS, May 3.

M. GEORGES MARCHAIS, the French Communist leader, to-day returned to the attack against the Socialist Party, which he said, was alone responsible for the defeat of the Left in the general election in March.

Declaring himself still firmly attached to the common programme, the joint left-wing platform over which Communists and Socialists quarrelled last autumn, M. Marchais exonerated his own party from any blame for the outcome of the election.

In what has become a ritual exchange of recriminations, M. Gaston Delella, leader of the Socialist group in the National Assembly, has accused M. Marchais of deliberately setting

out to lose the election. His statement summed up conclusions reached at the Socialist national convention of party officials at the weekend.

M. Francois Mitterrand, the Socialist leader, who was criticised by the left-wing of the party, accused his Communist former ally of "treachery."

But in neither case have the party leaders succeeded in deflecting internal dissension. M. Marchais to-day recognised the existence of "wide-ranging and exciting discussions" within the Communist Party, but denied that it was suffering from internal malaise.

Since the general election the party had set out to encourage discussion within its own cells and committees, he said, and

these meetings had been fruitful. He dismissed the publication of critical articles by Communist intellectuals, who have attacked the party both for not dissociating itself more clearly from Moscow and for losing its ideological base. M. Marchais said these views were "a little marginal discussion, of no interest to the party. Almost all Communist intellectuals supported the party's policies and actions," he added.

M. Marchais denied that a report to the central committee last week, in which he reaffirmed his opposition to such criticism being published in the party's newspaper L'Humanité, represented a hardening of the party line.



M. Georges Marchais

Unions disappointed by minimum wage rise

BY ROBERT MAUTHNER

PARIS, May 3.

THE FRENCH CABINET to-day decided to raise the national minimum wage by a modest 4 per cent, the first of three increases due this year to give the lowest-paid manual workers a better deal.

The monthly minimum wage, known as the SMIC, thus goes up to Frs.1,513 (about £220) from its present level of Frs.1,450 for a 40-hour week. But the Government's gesture is no more than a symbolic since only some 12m. workers are affected by the rise and the increase in real purchasing power is only 1.2 per cent.

after price rises have been taken into account.

The main Left-wing trade unions, which, together with the Socialist and Communist parties, were demanding an immediate increase of the minimum wage to Frs.2,400 during the election campaign, are disappointed with the Government's decision.

Though they had been given notice that they would not obtain anything like the increase they were asking for, the unions hoped that the new Government would make a bigger initial effort to help the lowest paid.

A particular complaint voiced by the Socialist-oriented union, CFDT, is that, in spite of the conciliatory attitude adopted by M. Edmond Maire, its leader, in his post-election talks with M. Raymond Barre, the Prime Minister, the Government has already imposed a series of major decisions affecting their interests.

Neither last week's sharp increase in public sector prices, nor today's decision on the minimum wage extended for a few months. But the unions, the latter say,

Much now depends on the success of forthcoming negotiations between the unions and the Patronat (the French employers' federation) on a range of problems including the introduction of minimum guaranteed wages for different industrial sectors.

If the unions obtain a sympathetic hearing from the employers, there is some chance that the post-electoral détente in industrial relations can be extended for a few months. But the Patronat knows that it must act quickly.

Denmark hopes for bigger natural gas reserves

BY HILARY BARNES

COPENHAGEN, May 3.

THE RECOVERABLE reserves of natural gas in the Danish sector of the North Sea may be considerably larger than estimated by the Danish Undersea Consortium (DUC), according to a Ministry of Commerce report.

DUC (consisting of AP Moeller, Shell, Chevron and Texaco) has an exclusive concession to explore and produce gas in the Danish area and estimated recently that the recoverable reserves in the four gas fields totalled between 60bn. and 75bn. cubic metres. The Ministry, relying on estimates by the U.S. oil consultants, De Golyer and MacNaughton, said the reserves might be in the region of 110bn. to 120bn. cubic metres.

The Ministry added that the reserves provided a basis for commercially viable production whichever estimate was accepted.

The higher estimate would be sufficient to supply Denmark with gas for about 30 years, providing 15-20 per cent of the country's energy needs. The report also hints that there are prospects of making further viable gas strikes in the Danish area.

alternative would be to sell the gas to Germany and to use the revenue for importing other forms of energy.

The government is expected to take a decision of principle soon in favour of importing the gas to Denmark. It is expected at the same time to announce a time-scale which would prevent a clash between two major public investment projects — the natural gas distribution network and construction of a bridge across the Great Belt, one of the two main entrances to the Baltic.

A hundred Danish Baltic fishing vessels invaded Copenhagen harbour to-day to protest against reductions in fishing rights in the Baltic and other sectors of the Baltic. About 2,000 fishermen marched to Parliament demanding the resignation of Mr. Svend Jacobson, the Fisheries Minister.

Most of the vessels involved in the protest came from the island of Bornholm. The fishermen claim that they face bankruptcy as a result of the failure of the EEC to conclude satisfactory fisheries agreements with third countries.

W. German jobless total reduced by 100,000

RONN, May 3.

WEST GERMANY'S total of unemployed dropped by about 100,000 during April, to almost exactly 1m., bringing the percentage unemployment rate down 0.5 per cent to 4.4 per cent.

Reaction both from politicians in Bonn and from the autonomous Federal Labour Office in Nuremberg was cautious, laying the emphasis mainly on a normal seasonal improvement. But the number of young people under 20 registered as full-time unemployed. There was a smaller drop, of 8,000, in the number of foreign workers on full-time unemployment rolls, leaving 108,000.

No new information is available, however, on how many foreign workers have returned to their home countries.

unfilled vacancies. But a less positive aspect of the new figures was a jump of 72,000, to just under 300,000, in the number of workers on short time, an indicator often watched here as closely as the unemployment figure.

The structural breakdown of the April figures showed very little change from the previous month, other than in a drop of 15,000 to a new level of 80,000 in the number of young people under 20 registered as full-time unemployed. There was a smaller drop, of 8,000, in the number of foreign workers on full-time unemployment rolls, leaving 108,000.

No new information is available, however, on how many foreign workers have returned to their home countries.

Wider role urged for Italy banks

BY PAUL BETTS

ROME, May 3

DR. GUIDO CARLI, president of the Italian employers' confederation, Confindustria, called today for legislation to encourage the banking system to intervene in the pressing financial problems of the country's private sector.

The former governor of the Bank of Italy — reconfirmed as president of Confindustria yesterday — also urged the authorities to put an end to the privileges and abuses which have traditionally marked the country's public sector.

Addressing the annual meeting

of the employers' confederation here today, Sig. Carli said the public sector should be considered on an equal level with private industry and function on the same principle of a market economy.

Fiscal incentives should be extended to the banking system to promote their intervention for the financial recovery of private companies, Sig. Carli emphasised. For some time, Sig. Carli has advocated the setting up of banking consortia to guarantee the financial reconstruction of

troubled companies.

The Italian banking system now appears to be moving in this direction especially in the case of a number of major groups in the troubled chemicals and fibres sector.

At the same time, Confindustria is promoting the maximum growth possible this year to boost development particularly in the depressed South, although the Government's current 4 per cent growth target by the last quarter of this year appears acceptable to the private sector.

Dutch consider fines for crimes

By Our Own Correspondent

AMSTERDAM, May 3.

OFFENCES which would normally carry a prison sentence of up to six years would be punishable by fines under a Bill presented to the Dutch Parliament.

A system of automatic fines which has been applied to motor

ins and other minor offences could be applied to crimes such as burglary, theft, hold-ups and receiving, if the legislation is approved. Offences have been grouped in six categories with the minimum fine of 5 flm. (£250,000) in the most severe.

\$20m. Korean Loan

The Export Credits Guarantee Department has guaranteed a \$20m. loan which Lloyds Bank International, acting on its own behalf and for Lazard Brothers, has made available to Korea Shipbuilding and Engineering Corporation to help finance the \$24m. contract awarded to Herbert Morris part of the Davy group of companies, for the supply of cranes and other equipment for the shipyard at Okpo Bay, Koje Island off the south-east coast of Korea. Completion is scheduled for early 1980.

HOW DID IRELAND OUTSTRIP GERMANY IN GROWTH OF INDUSTRIAL EXPORTS EVERY YEAR SINCE 1970?

Even during the world recession, Irish industrial exports were still competitively priced, still attracting larger international markets. In 1977 industrial exports increased by a record-breaking 40% plus. Total exports increased by 35% as compared with 5% from Germany.

Is this just a case of big percentages but small actual amounts?

It is difficult to judge with a country of barely 3 million population, but surely the capacity to sell almost 60% of manufactures abroad must make Ireland unique in Europe?

Try comparing Ireland's export achievement of £830 per head of population with the figures for long established industrial nations like Germany and the U.K.

One can understand companies based outside the EEC being attracted to Ireland, but consider this. 50% of the overseas industrial investment in Ireland has come from European countries.

Industrial investors enjoy distinct competitive advantages when they operate from Ireland — and British industry needs every competitive edge.

Current British investment in Ireland is some 17% of the overseas total. There are good financial reasons for increasing this figure.



INDUSTRIAL IRELAND - COME AND SEE HOW IT WORKS.

Europe's most dynamic industrial base is only 50 minutes from London by air. Any company with expansion in mind should get a first-hand picture of the special advantages the Republic of Ireland offers. The Irish Government's Industrial Development Authority will gladly arrange a personal presentation and visit to suit your particular interests: factory visits, frank discussions with overseas industrialists operating in Ireland, meetings with trade unions... whatever and whenever you want to see.

The IDA is responsible for all aspects of industrial development, including administration of the unique financial package which the government offers expanding, exporting industry. The IDA has helped over 700 overseas companies — almost 500 of them European — to establish factories. It is the only organisation your company would need to negotiate with.

Confidential: To Hugh Alden, Director, IDA Ireland, 28 Banton Street, London W1X 7DR. Telephone 01-499-6155. Telex 651-24752.

Please telephone me with a view to discussing an investment package to suit my company and a familiarisation trip to Ireland.

NAME _____ POSITION _____

COMPANY _____

ADDRESS _____

TELEPHONE _____

USSR signs DM300m. contracts with Krupp

BY LESLIE COLLY

BERLIN, May 3.

ON THE eve of the visit to West Germany by Soviet leader Leonid Brezhnev, the Krupp company in Essen has announced the signing of three large contracts with the Soviets worth at least DM300m.

Krupp-Koppers is to build a DM250m. plant to produce dimethyl-terephthalate (DMT), feedstock for polyester fibre production. The plant, which will use the Dymat Nobel process, is to be built at the Mogilev combine in Belorussia and completed in 1981. It is to have an annual capacity of 120,000 tonnes of dimethyl-terephthalate. This is the fourth such plant that Krupp-Koppers is constructing in the Soviet Union.

Another Krupp company, Krupp Industrie-und Stahlbau, is to deliver DM47m. worth of equipment for tyre factories at Chirchikent and Belaya Tserkov. The deliveries are to begin next day and are to be completed by January 1981. This contract, like

the one for the DMT plant was signed with Technomashimport in Moscow.

The company is also to build 18 heavy truck-mounted cranes with a load-carrying capacity of 120 tonnes for Mashepolimort in Moscow. In 1974 Krupp delivered a number of 75-tonne cranes to the Soviet Union which are said to have performed well under extreme conditions at the Norilsk ore combine at the mouth of the Yenisei river in northern Siberia. Krupp says the experiences the Soviet mining industry had with the company's telescopic cranes enabled it to get the large new order against "strong domestic and foreign competition."

The DMT plant comes under a framework agreement signed in 1976 under which a group of West German companies is to build plants and deliver equipment to produce DMT and polyester fibres worth a total of DM35m. Financing totalling DM2.5bn. was arranged by a German banking consortium, Korf group.

Partners to the agreement were Krupp-Koppers, Dynamit Nobel, Ude and Hoechst, as well as the Foreign Trade Bank of the USSR and the consortium of West German banks. In April last year Krupp was awarded its first contract to build a DMT plant at Mogilev.

Adrian Dicks writes from Bonn: Government-owned steel and engineering group, has begun manufacturing work on the DM185m. pelletisation plant, which it is supplying as the first stage of the big steel-making complex at Kursk in the USSR.

Deliveries of parts will begin later this year, with the main portions being shipped next year to the site and assembled under Salzgitter's supervision.

In addition to supplying key parts of the pelletisation plant, Salzgitter has engineering leadership of the entire first phase of Kursk project, including building the direct reduction steel-works being constructed by the Korf group.

Parsons to manage Yanbu plan

By David Lascelles

NEW YORK, May 3.

A UNITED STATES company has won a contract to manage development of what it claims to be one of the largest industrial centres ever planned.

The company is Ralph M. Parsons, the California-based engineering and construction concern, and the project is Saudi Arabia's giant industrial complex at Yanbu on its west coast, which will include two oil refineries, plant for petroleum products, a steel mill, an aluminium smelter and other metal-based industries.

The company says Yanbu is "one of the largest integrated industrial centres ever contemplated" and its value has been put by industrial sources at about \$10bn.

Yanbu will be built in several stages over a total of 25 years and will include constructions of a complete transport and communications network, including deep-water port and airport, utilities, housing and other community services.

Parsons' duties will include management of construction of support services for the complex development of the complex, and training of Saudi Arabian personnel.

The company said it won the contract against competition from five other contractors from the U.S. and Europe. However, it was clearly well placed, since it prepared the Yanbu master plan under a separate contract last year.

BRITISH BUSINESS WITH CHINA

Minister to tour U.K. industry

BY LYNTON McLAIN, INDUSTRIAL STAFF

ONE OF the most senior Chinese trade delegations to visit Europe arrives in London on Friday for three weeks of talks with government officials and industrial management and to visit factories, a nuclear power station and a supermarket.

The 20-man delegation will be led by Ku Ming, Vice-Minister at the State Planning Commission, which formulates China's economic and foreign trade policy. The visit will include talks with United Kingdom Treasury officials.

Trade Department officials say the visit marks an additional "very important" phase in improving trade relations between the countries. It follows more than a dozen visits by technical missions from China over the past year.

New trade agreements may depend on the impressions gained by the State Planning Commission during this visit.

The first week will be spent in London. The delegation will meet Mr. Edmund Dell, Trade Secretary, senior officials of the Treasury, Mr. Eric Varley, Industry Secretary, Mr. William Rodgers, Transport Secretary, Mr. Edward Bishop, Agriculture Minister, Dr. Dickson Mabon, Energy Minister, Foreign Office officials and the Sino-British Trade Council.

Two weeks of contact with British industry and management follows. The party will travel by high-speed train to Bristol to tour Hinkley Point nuclear power station; examine advanced mining equipment at the National Coal Board's Stanhope Bretby research centre; and see building and control at the Gravelly Hill interchange.

Ku Ming will tour ICI's Teesside chemical plants and tour the British Steel works at Redcar.

The Chinese are especially interested in British production management and will visit the management school at Cranfield Institute of Technology.

During the visit, two more technical delegations from China will arrive in Britain. On May 12 Mr. Tang Ke, minister in charge of steel and metal industries, will lead a team of experts to study British steel plant and non-ferrous metal technology.

At the end of May Mr. Hsiang Nan, Vice-Minister in the First Ministry of Machine Building, will visit British agricultural machinery manufacturers.

Lucas wins \$5m. order from U.S.

By Michael Donne, Aerospace Correspondent

MCDONNELL DOUGLAS of the U.S. has awarded a \$5m. (over £2.5m.) contract to Lucas Aerospace for the Harpoon anti-ship missile. Each Harpoon has four electro-mechanical actuators to drive the fins used for steering. Delivery from Lucas is to start next February. The U.K. is buying the submarine-launched version of the Harpoon. The order for Lucas is part of McDonnell Douglas's efforts to place offset work with manufacturers in the U.K.

McDonnell also said that one of its prominent U.S. subcontractors, Lear-Siegler, had awarded a contract worth nearly \$1m. to Lucas for aircraft attitude heading reference systems.

Soviet oil exports up in value

BY DAVID SATTER

MOSCOW, May 3.

ESPIE A decline in the rate of oil production, the value of Soviet exports of oil and oil products last year rose 22 per cent, according to figures published in the Soviet weekly Ekonomicheskaya Gazeta.

The newspaper said that Soviet oil exports in 1977 had a total value of roubles 9.4bn. (£7.4bn.), 28 per cent of the value of total Soviet exports, and a significant increase over the value of oil and oil exports in 1976, which was roubles 7.5bn. (£5.7bn.).

Of the value of 1977 oil exports, only slightly more than 40 per cent was accounted for by exports to Communist countries, which had a total value of roubles 3.8bn. Soviet oil exports to the West surpassed those to Russia's Communist allies for the first time since the Second World War in 1976, and the 1977 figures appear to confirm that trend.

Soviet oil production is increasing but at a declining rate, and rose only 5 per cent in 1977 compared to an average annual rise of 8.1 per cent since 1960. The expanded exports appear to reflect Soviet confidence in future oil production, although the sizeable Western share of Soviet oil exports may also demonstrate the Soviet desire to earn the hard currency necessary to finance oil extraction in difficult Siberian conditions.

The value of Soviet gas exports increased substantially in 1977 to roubles 1bn., an increase of 36 per cent over the value of gas exports in 1976, which was roubles 733m. Exactly half of Soviet gas exports last year went to the countries of Communist bloc, the newspaper said.

LNG fleet capacity doubled

BY OUR SHIPPING CORRESPONDENT

THE WORLD'S bulk carrier and liquid gas carrier fleets continued to grow rapidly last year, but in the oil tanker sector there was a levelling off as the effect of cancellations and a slow down in new orders made itself felt.

According to the comprehensive 1978 registers of ships produced by H. Clarkson, the London shipbroker, the liquid gas fleet has doubled in capacity inside two years, from 15 vessels with a total of 1.7m. cubic metres in January, 1976 to 30 vessels aggregating 3.4m. cubic metres at the beginning of this year.

Clarkson says that it will be three or four years before all these vessels, plus an additional 31 on order, are fully utilised because of delays in bringing certain gas projects on stream.

The bulk carrier fleet last year showed a net increase of 15m. tons, of eight per cent, and during 1977 a total of 254 vessels were renamed, indicating a high level of activity in the second-hand market.

New tanker deliveries last year took the world fleet to a record 33m. tons, with an additional 47m. tons of combined carriers. This involved a net increase for tankers of only 3 per cent, and since January, the size of the fleet has actually started to fall.

"Clarkson registers: Tankers 235; Bulk Carriers 235; Liquid Gas Carriers 214; Offshore Drilling 114; Offshore Service Vessels (1977) 230 and 1978 supplement £10. From 52 Bishopgate, London, EC2P 2AD.

New Canberra dumping probe

By Kenneth Randall

THE Australian Bureau of Customs has begun informal investigations into whether polypropylene is being dumped on the Australian market by producers in Britain, West Germany, Belgium, the Netherlands, Italy, and Czechoslovakia. Similar inquiries have already been announced in respect of imports from Taiwan and Japan. As a result of today's announcement, import deposits will be imposed on polypropylene imports from all the countries named until the investigation is completed.

The Government also announced today that developing countries' tariff preference was being withdrawn from imports of tennis and squash racquets from Taiwan. It added that evidence from an official inquiry had shown that the Taiwanese products were competitive with those of other suppliers without the additional tariff preference.

Outlook bright for rise in trade

BY JOHN HOFFMAN IN PEKING

THE "48 GROUP" of British companies trading with China will celebrate its 25th anniversary at the Savoy on July 6. Its members will have more reasons for self-congratulation than mere longevity.

A mission from the group now concluding discussions in China will take back to Britain some cautious but optimistic predictions of a vigorous expansion in Sino-British trade. China's intention to transform itself by the year 2000 into a modern and powerful socialist country means that something like three-fifths of the nation's budget will go into industrialisation, agricultural mechanisation and other forms of economic development. That means enormous imports of equipment and technology, the "raw materials" of modernisation.

By the time the cycle of industrialisation is complete, China hopes to be self-sufficient in most areas of production. But before that wheel can begin to turn, the country will need massive amounts of equipment and expertise from abroad.

As Mr. S. G. Sloan, leader of the 48 Group mission, observed in Peking last week, "It's now a matter of getting the horses into the box ready for the gate to go up."

The mission's talks with senior Chinese trade officials in past weeks have illuminated potential areas of trade that will appeal to British companies, including the aerospace, defence, electronics, railways, coal, power and telecommunications industries, in which Britain's highly developed technologies will appeal to China.

There is even a chance of a late entry by the British motor industry into the China trade. Japan, of course, has beaten the rest of the world in cars and light trucks but the acceleration of coal, iron and oil production may herald huge orders for heavy-duty off-road trucks. They are expensive, so freight becomes less prohibitive in the calculations of British manufacturers. Members of the mission noted a keen Chinese interest in advanced aerospace technology.

Among innovative prospects noted by the mission is that Chinese factories might incorporate foreign components to raise the quality of export products; for instance Chinese electric motors compare poorly with others.

An extension of that is the possibility that the Chinese might be willing to use foreign components in manufactures for domestic consumption. There are 900m. Chinese consumers. Cheng To Pin, the Chinese Vice-Minister of Foreign Trade, told the 48 Group mission: "It will not all happen overnight. What we have done is to correct the political line and thus remove obstacles. This broadens the field of possibilities."

Despite that cautious note, the possibilities are beginning to crystallise. The mission is taking back to Britain details of two important inquiries that might result in orders worth more than \$5m. for British mining and textile machinery manufacturers.

Sydney Morning Herald

New airport developers

By Our Aerospace Correspondent

THE British Airports Authority (BAA) and International Aeradio (which is owned by British Airways and other big airlines) have formed a new company, British Airports International, to develop airports and associated services overseas.

The new company will provide airport and helicopter planning and operational advice, preparation of plans for new airports, provision of all necessary systems, and management advice.

Mr. John Nulkern, BAA managing director and chairman of the new company, said many foreign groups were moving into the increasingly lucrative field of airport development and the U.K. had been in danger of losing business.

Libya buying Italian aircraft

By Paul Setts

ROME, May 3.

SIAM MARCHETTI, the aircraft manufacturing concern, part of the state-controlled Efim-Agusta group, confirmed today that it was supplying the Libyan Government with its SF260 light military training aircraft.

The Varese-based company denied Italian Press reports suggesting that it was supplying over the next 12 months as many as 250 SF260 to Libya for a total value of £25bn. The company, which declined to disclose precise details of the deal, said the number was much smaller.

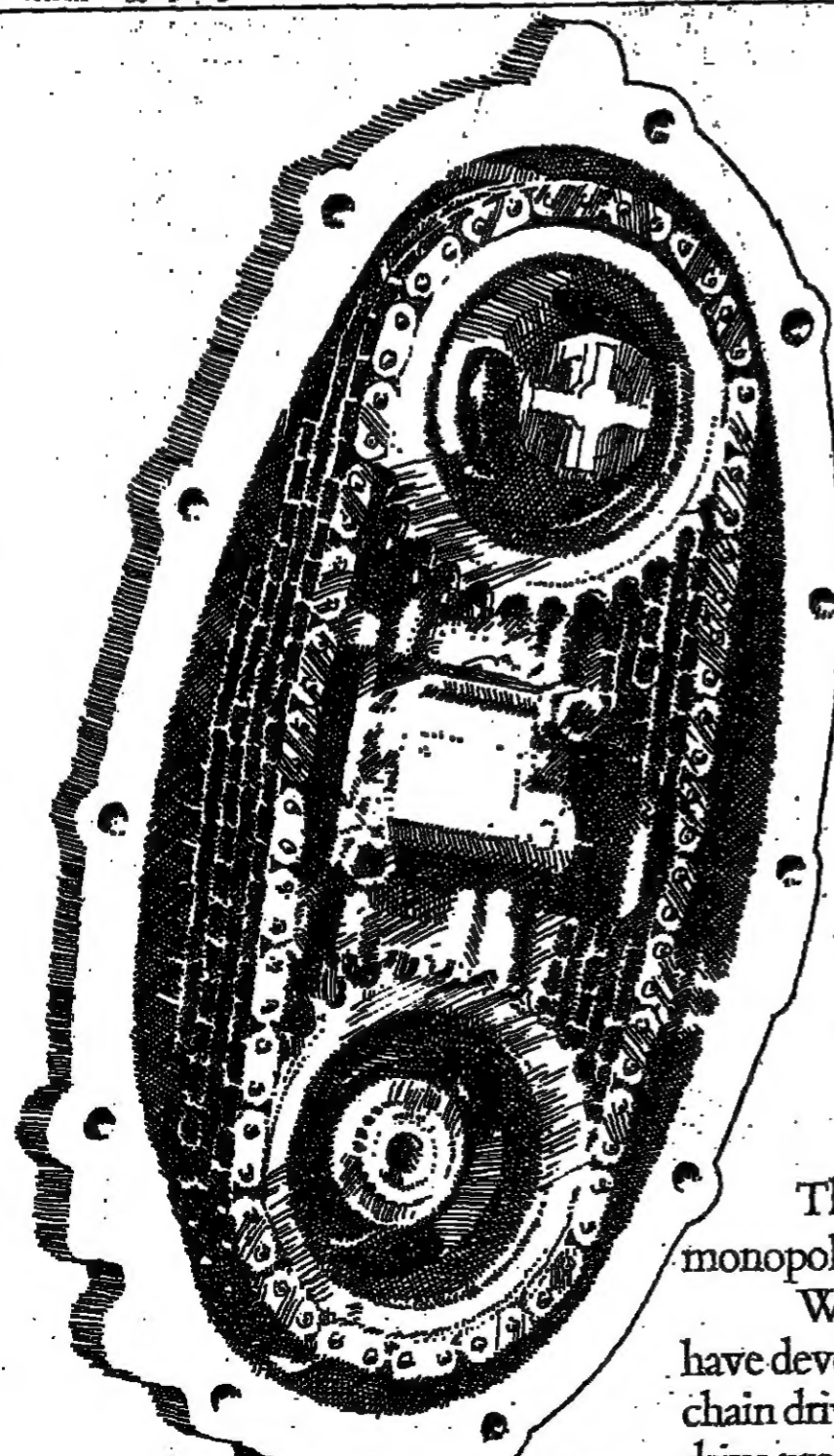
Bangladesh to establish export zone

BY A SPECIAL CORRESPONDENT

BANGLADESH IS to set up an "export zone" in setting up in Bangladesh export processing zone south of desh. He expected the facilities for the export zone to be ready next year and the range of goods produced would include leather items, ready made garments.

He said that although Bangladesh was a poor country it could offer some local raw materials, in an interview that he had cheer labour and a range of marketing facilities in the EEC.

Dr. N. M. Huda, who is Presidential Advisor for Planning, said that he had already had talks in Japan and Singapore with companies in-



SILENCE IS GOLDEN

The aircraft industry has no monopoly on initiatives to reduce noise. Working with Saab, Renold have developed a technically advanced chain drive system for front wheel drive production cars. It's quiet. It has

generally reduced engine-to-gearbox operating noise and eliminated gear rattle at tickover speeds.

In its silence, simplicity and refinement, it is an achievement for British engineering and could strike gold in export markets.

The application of British inventiveness to create new business opportunities has been a feature of The Engineer for over 120 years—just one of the elements in its reflection of the contemporary industrial scene in all its aspects.

For the modern manager in industry, life is a more complex business than for his Victorian counterpart and this complexity is reflected in today's copies of The Engineer. Its news and feature pages range over all those factors—technical, political, economic, legal—affecting the competitive performance of industry in today's highly organised society. A year's weekly issues add up to a history-in-the-making of industry—a continuing narrative of fact, opinion and debate, charting events, ideas, relationships—in fact tracing all the major influences on the direction of industrial change and growth.

And it's as stylish, lively and readable now as ever.

It's not surprising that in the engineering industries more engineers and engineering managers read The Engineer than any other publication.* Every week.

THE WEEKLY FOR ENGINEERING MANAGEMENT.

HOME NEWS

Benn defends Electricity Bill proposals

BY ROY HODSON

THE "old, narrow concept" that a nationalised industry, although publicly owned, should operate as a private company could no longer be sustained, Mr. Anthony Wedgwood Benn, Energy Secretary, said yesterday in evidence to the all-party Commons Select Committee on nationalised industries.

He argued strongly in favour of his proposals for reshaping the electricity industry contained in the draft Electricity Bill.

Although the Bill was dropped from the Government's legislative programme recently because the Liberals would not support it, Mr. Benn said yesterday that he hoped to see it reviewed in the next Parliamentary session.

Members of the committee feared that the proposed Electricity Corporation would not have proper powers to run the industry efficiently without Government interference.

Mr. Benn was closely questioned about a clause which would require the corporation "to have due regard to the need of consumers for heat, light, and power," but replied that it was "no use having a policy unless it included regard for consumers."

He wanted to "open-up" the relationship between the nationalised industry and its sponsoring ministry. "This dream that you can isolate the electricity industry from the

community which it serves is not one that I can accept."

Mr. Benn said that, if the industry was to operate properly, it must have broad objectives beyond the narrow commercial ones of making profits.

"It is the narrowing of objectives of nationalised industries to simple, single, artificial economic criteria which creates the tension between government Ministers and the industry."

The MPs criticised Mr. Benn's determination to retain for the Energy Secretary powers to appoint the future chairmen of the area electricity boards.

The Minister replied that he disagreed with the view of the Plowden Committee which investigated the electricity industry.

"It is absurd that we should be debating devolution in Britain while considering destroying the area electricity boards," he said.

His own view of the future structure of the industry was that there should be a balanced central strategy but that the vitality of the area boards should be retained.

Select Committee has heard evidence in previous sessions from trade unionists management and members of the Plowden Committee, arguing that the area Board appointments should be made by the proposed central electricity authority.

£2.2m. backing for investment company

BY CHRISTINE MOIR

FIVE INSTITUTIONS headed by the Airways Pension Fund have put £2.2m. into Melville Street Investments (Edinburgh), a subsidiary of the British Linen Bank. MSI invests in small to medium-sized growing companies.

The other four institutions are all Scottish: Standard Life Assurance, Scottish Northern Investment Trust, Scottish American Investment, and Edinburgh Investment Trust.

Together with the Airways Fund they have taken up just over 82 per cent of Melville, which was previously wholly owned by British Linen, by way of a share issue.

Announcing the deal yesterday, Mr. Bruce Patullo, general manager of British Linen, said it confirmed the fact that people with "credible and viable ideas have never had a problem in finding institutional backing."

Melville was set up in 1973 to provide small companies with funds and now has a portfolio of 14 shares and stock holdings in 11 companies, worth a total of £1.6m.

The new funds from the institutions will be divided between refunding this portfolio and new investments. One is already in the pipeline which leaves a further £1m. for immediate investments.

Not all the funds will be invested as new capital in companies. Melville may also buy existing capital where a family needs to diversify part of its interests.

However, the bulk of funds will be invested, largely in Scottish companies, and less in traditional declining industries than in new technology-based ventures, Mr. Patullo said.

One effect of the growing interest of institutions in investing in private growth companies, he added, was that there was less pressure on them to come to the market for their expansion capital.

Anglo-French conference

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

A CONFERENCE on industrial co-operation between France and Britain is to be held in the U.K. later this year to discuss ways of improving links between the two countries.

Announcing this at a Mansion House dinner in London last night, Mr. Eric Varley, Industry Secretary, said he hoped that French and British industry could establish joint ventures and increase the two-way flow of investment across the Channel.

Industrial sectors such as motor manufacturing, computer peripherals, pulp and paper, and off-shore oil supplies were among areas being examined by a Franco-British Committee for Industrial Co-operation set up after the Chequers Anglo-French summit meeting last December.

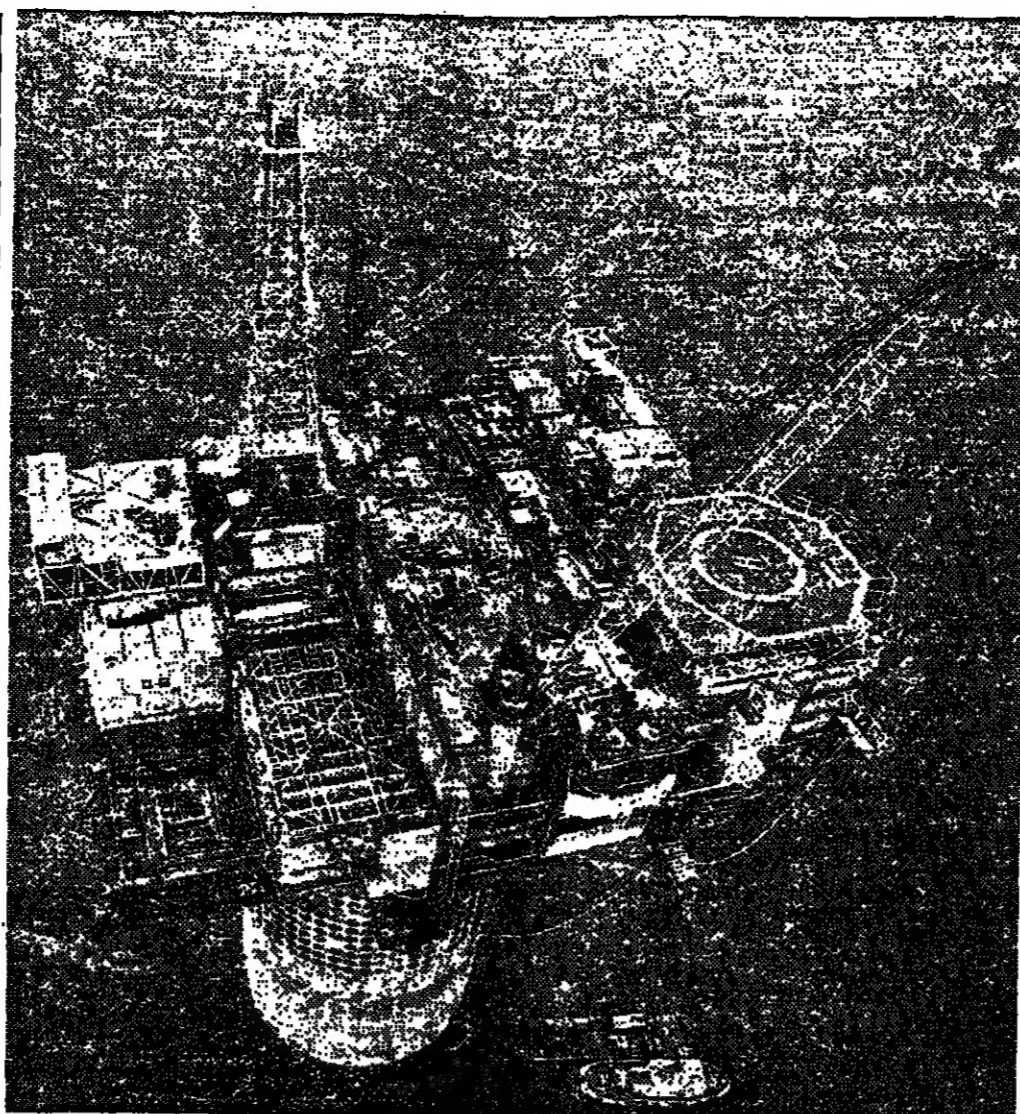
The dinner, given by the Lord Mayor of London for Ministers, the company, which is part of civil servants and businessmen from the two countries, was attended by M. Andre Giraud, the recently appointed French Minister for Industry, and marked the latest stage of the industrial collaboration work between the two countries launched at the summit.

M. Giraud, whose responsibilities include energy matters, is to meet Mr. Anthony Wedgwood Benn, Energy Secretary, during his visit to London.

Ladder group cuts 100 jobs

ONE HUNDRED workers—two-thirds of the workforce—are to be made redundant at the Volvo-France-British Committee for Industrial Co-operation set up after the Chequers Anglo-French summit meeting last December.

The dinner, given by the Lord Mayor of London for Ministers, the company, which is part of civil servants and businessmen from the two countries, was attended by M. Andre Giraud, the recently appointed French Minister for Industry, and marked the latest stage of the industrial collaboration work between the two countries launched at the summit.



The world's largest movable object, completely unmoved

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE LARGEST movable object in the world—the 600,000 tonnes Ninian Central oil platform—remained immobile yesterday, unable to begin its 430-mile journey to the North Sea.

Despite the two-foot-high replica in white iced cake and the boxes of flowers flown in by helicopter for the tow-out celebrations, Chevron Petroleum, who own the structure, and Howard-Dorn, who built it, were reluctant to give the order to cut the anchor chains.

The platform, pictured above, is the biggest ever built or ever likely to be built. It remained in the deep water of the Inner Sound of Orkney between the Highland coast and the Isle of Skye.

Although the weather was flat calm yesterday the companies fear that a depression moving in from the Atlantic could hit the platform as it reaches the most critical point in its voyage, across the shallow Stant Bank shoal at the mouth of the Minch.

Some 85 metres of concrete are below the surface of the sea and Ninian Central will have been floated last autumn, but it was not completed in time. During its winter in sheltered water some of the delay has been made up by loading modules and equipment on to the deck.

But its departure now will leave a problem for Howard-Dorn, which has spent £24m. developing the drydock and site at Loch Kishorn where it was built, but as yet there is no follow-on order to help defray the cost.

Mr. Albert Granville, managing director, said that he was still talking to two oil companies and was unapologetically optimistic that another contract would be forthcoming before the end of the year.

Some 300 employees, who live locally, are being kept on the pay roll and there are hopes that the site can be used as a supply base for oil fields. Negotiations are in progress with Chevron to make the same point.

Mr. Williams adds: "I hope you agree that the arrangements described should avoid difficulty arising in future."

Publication of Mr. Williams' letters was made in the CBI's confidential members' bulletin. The Price Commission declined to comment last night.

Esso Chemicals may delay ethylene cracker for year

BY OUR GLASGOW CORRESPONDENT

PETROCHEMICAL overcapacity in Europe may force Esso Chemicals to postpone for up to a year their planned £300m. ethylene cracker at Moss Morran in Fife.

Dr. Austin Pearce, chairman of Esso Petroleum, said yesterday in Glasgow that a final decision on the project was likely in that last quarter of this year.

But he conceded that the market prospects for its products would have a "most important" influence on the project. Esso were presently carrying out their annual world survey of the petrochemical markets.

Dr. Pearce said that Esso worried about over-capacity in the petrochemical industry, particularly in Europe and the Middle East.

He thought that because of this the Moss Morran cracker could be delayed but added that any such postponement would not be for more than a year.

Fishermen urge limits on offshore drilling

BY OUR ABERDEEN CORRESPONDENT

BRITISH FISHERMEN are to press the Government to refuse licences for offshore drilling in areas they claim are traditional fishing grounds.

If the Government declines to protect certain North Sea areas the industry would pursue compensation claims for loss of access to grounds, a loss that, as estimated in Aberdeen yesterday, could reach £5m. by 1988.

Introducing an Aberdeen University report on the loss of access due to offshore installations Mr. David Craig, Scottish vice-president of the British Fishermen's Federation, said: "We have made absolutely no headway with the Government."

"If oil and gas developments are regarded as so economically beneficial to the nation these should not be allowed to take place without the gainers, the nation and oil companies, compensating the losers, the fishing industry."

The report, commissioned by the FF, representing the U.K. middle-water and distant-water trawler companies and the Scottish Fishermen's Federation, representing over 6,000 inshore fishermen, was prepared by the University's Department of Political Economy and Institute for the study of sparsely populated areas.

Armed with the report, and figures for the estimated and predicted value of catches lost from 1976-88, the industry is now demanding that certain sensitive fishing areas be excluded from the next licensing round, just as Norway and the U.S. exclude some areas.

Areas where the fishing industry wants to stop further offshore activity, according to Mr. Craig, are the Moray Firth, the Firth of Forth, and the west coast of Scotland. He admitted that fishermen were not confident now about halting developments in the Moray Firth.

The report says that the monetary loss in 1976, depending on how much fishing there was possible near pipelines, ranged from £50,000 to £400,000; and the total loss until 1988, given the same variable, would stretch between £550,000 and £5.8m.

Assurance on BR services

AN ASSURANCE that British Rail's road transport services will be confined to Freightliner activities which involve delivery and collection was given in the Commons yesterday by Mr. John Horam, Transport Under Secretary.

"Our policy is that British Rail should be able to use the Freightliners' collection and delivery vehicles after transfer as they are used now by the National Freight Corporation. The other restrictions on the use of road transport by BR will continue."

Ministers 'not given company secrets'

BY DAVID CHURCHILL

THE PRICE Commission has alleviated fears expressed by the Confederation of British Industry that confidential company information is being passed on to Government Ministers and Whitehall Departments.

Mr. Charles Williams, commission chairman, in a letter to Sir John Methven, CBI director-general, says that the present commission has followed the same procedures on confidentiality of information as the previous one.

He adds that the "powers in the legislation which might permit such information to be passed on are permissive and not mandatory. The decision whether or not to do so, therefore, rests entirely with the commission."

"The previous commission did not agree to make information available under those provisions on any occasion during the four years they were in operation," he said.

The current Price Commission makes two exceptions to this policy, he added.

"The first exception is that when a particular notification seems to be a strong candidate for an investigation we have agreed to send to the Department of Prices and Consumer Protection a copy of the notification."

The second is when the commission is obliged to send particulars of a registrable agreement under the restrictive practices legislation.

Mr. Williams adds that the commission has a duty to liaise with the Department of Employment over pay rises and profit levels. "The importance of this information should not be exaggerated since the Price Commission acts as no more than a post office and does not express a view on whether a settlement is inside or outside any limits."

In a separate letter Mr. Williams answers criticism of the commission's methods of surveying customers of companies under investigation. In future, he says, the commission will consult the company in advance of sending out the letter and take into account any comments it may make.

"The letter itself will emphasise that the recipient is under no obligation to reply, and if we follow up the letter with an interview, the interview will be under instruction to make the same point."

Mr. Williams adds: "I hope you agree that the arrangements described should avoid difficulty arising in future."

Publication of Mr. Williams' letters was made in the CBI's confidential members' bulletin. The Price Commission declined to comment last night.

£1,035 for a dozen Lafite '45

SOTHEBY'S MARATHON one-half-day wine sale, running over 1,100 lots, realised a total of £187,269, including £21,401 for collectors' items such as corkers, old bottles, and a delectable cruet that fetched £2,000.

The sale was dominated by claret and top burgundies, many of them in large-bottle sizes, that had been acquired by an American financier over many years.

Perhaps, with German and Swiss buyers prominent in particular, there was too much on offer for a rather small buying circle to absorb. So, although prices were good, they were not glittering nor even up to the recent best.

However, Lafite '45 made £1,035 a dozen. Cheval-Blanc '47 made £890, and a Jeroboam (equals six bottles) Petrus '71 brought £210.

The same pattern of almost too much fine wine on offer continued throughout a sale rich in notable names and vintages. Petrus '45 went for £810 a dozen, Latour '45 for £790. Magnans of Mouton-Rothschild '49 fetched £510 for six and Lafite '61 magnums reached £510.

Yquem records were made for old vintages: £200 for a single bottle of 1861, £175 for one of 1868, and £185 for an example of the 1893. A plethora of the celebrated '21 brought prices down to between £110 and £32 a bottle.

Good prices were paid for vintage Madeiras, headed by £155 for a bottle of 1789.

Atlas sold for £29,000

CHRISTIE'S SALE of atlases and natural history books yesterday contained a number of particularly outstanding items, among them a Blau Atlas Major (uncoloured) in 11 volumes from the 17th century.

Regarded by many as perhaps the finest atlas ever published, it sold for £29,000 to Burgess, the London dealer, in a sale which totalled £382,800. A coloured version would undoubtedly have fetched much more.

The Birds of Asia in seven volumes by John Gould and R. Bowdler Sharpe, containing 530 hand-coloured lithographed plates published between 1830-63, realised £17,500. It was bought by Dawson Rare Books, also of London.

Racal continues fight for U.S. army radio deal

BY MAX WILKINSON

RACAL, the military electronics group, intends to stay in the competition to produce the next generation of U.S. battlefield radios in spite of its recent loss of an important development contract for the sets.

Mr. Ernest Harrison, chairman of Racal, said yesterday that the company would finance its own development of the new type of radio which can automatically change frequency several hundred times a second.

The company put in a joint bid with RCA of America for the development of the radio system known as SINGARS. But the Defence Department awarded two contracts, one to ITT and the other to Marconi Space and Defence Systems in conjunction with Cincinnati Electronics of the U.S.

However, the Americans have said they are prepared to consider systems developed on a freelance basis at the evaluation stage early next decade.

Racal expects to spend £2m. to £3m. developing its own version of the SINGARS idea, which it hopes to sell to other parts of the world, even if it is not accepted in the U.S.

The main requirement of the new type of radio is that it should be able to defeat enemy attempts to jam communications.

However, the Americans have said they are prepared to consider systems developed on a freelance basis at the evaluation stage early next decade.

Racal expects to spend £2m. to £3m. developing its own version of the SINGARS idea, which it hopes to sell to other parts of the world, even if it is not accepted in the U.S.

The main requirement of the new type of radio is that it should be able to defeat enemy attempts to jam communications.

However, the Americans have said they are prepared to consider systems developed on a freelance basis at the evaluation stage early next decade.

Racal expects to spend £2m. to £3m. developing its own version of the SINGARS idea, which it hopes to sell to other parts of the world, even if it is not accepted in the U.S.

The main requirement of the new type of radio is that it should be able to defeat enemy attempts to jam communications.

However, the Americans have said they are prepared to consider systems developed on a freelance basis at the evaluation stage early next decade.

Racal expects to spend £2m. to £3m. developing its own version of the SINGARS idea, which it hopes to sell to other parts of the world, even if it is not accepted in the U.S.

The main requirement of the new type of radio is that it should be able to defeat enemy attempts to jam communications.

However, the Americans have said they are prepared to consider systems developed on a freelance basis at the evaluation stage early next decade.

Racal expects to spend £2m. to £3m. developing its own version of the SINGARS idea, which it hopes to sell to other parts of the world, even if it is not accepted in the U.S.

The main requirement of the new type of radio is that it should be able to defeat enemy attempts to jam communications.

However, the Americans have said they are prepared to consider systems developed on a freelance basis at the evaluation stage early next decade.

Racal expects to spend £2m. to £3m. developing its own version of the SINGARS idea, which it hopes to sell to other parts of the world, even if it is not accepted in the U.S.

The main requirement of the new type of radio is that it should be able to defeat enemy attempts to jam communications.

However, the Americans have said they are prepared to consider systems developed on a freelance basis at the evaluation stage early next decade.

Racal expects to spend £2m. to £3m. developing its own version of the SINGARS idea, which it hopes to sell to other parts of the world, even if it is not accepted in the U.S.

The main requirement of the new type of radio is that it should be able to defeat enemy attempts to jam communications.

However, the Americans have said they are prepared to consider systems developed on a freelance basis at the evaluation stage early next decade.

Racal expects to spend £2m. to £3m. developing its own version of the SINGARS idea, which it hopes to sell to other parts of the world, even if it is not accepted in the U.S.

The main requirement of the new type of radio is that it should be able to defeat enemy attempts to jam communications.

However, the Americans have said they are prepared to consider systems developed on a freelance basis at the evaluation stage early next decade.

Racal expects to spend £2m. to £3m. developing its own version of the SINGARS idea, which it hopes to sell to other parts of the world, even if it is not accepted in the U.S.

The main requirement of the new type of radio is that it should be able to defeat enemy attempts to jam communications.

However, the Americans have said they are prepared to consider systems developed on a freelance basis at the evaluation stage early next decade.

Racal expects to spend £2m. to £3m. developing its own version of the SINGARS idea, which it hopes to sell to other parts of the world, even if it is not accepted in the U.S.

The main requirement of the new type of radio is that it should be able to defeat enemy attempts to jam communications.

However, the Americans have said they are prepared to consider systems developed on a freelance basis at the evaluation stage early next decade.

Racal expects to spend £2m. to £3m. developing its own version of the SINGARS idea, which it hopes to sell to other parts of the world, even if it is not accepted in the U.S.

The main requirement of the new type of radio is that it should be able to defeat enemy attempts to jam communications.

TWA:

£67 to Chicago

(£156 return)

Daily 747 departing at 12.30.

Call your travel agent and ask about TWA's new Standby fare. (This fare is subject to a seasonal increase from July 1st.)

TWA carries more scheduled passengers across the Atlantic than any other airline.

TWA

No.1 across the Atlantic.

هكذا منه الأمل

'No delay'
J.S. in licence
o de issue,
Benn
claims

Publicity drive for chemical labelling system

£24 MORE THAN 80,000 full-colour posters are being distributed

roughout industry and commerce by the Health and Safety Executive to publicise a new statutory labelling scheme for dangerous chemicals.

The scheme, introduced under regulations laid before Parliament in March, requires suppliers of about 800 dangerous chemicals—mostly used in industry, but some in the home—to put appropriate warning labels on their containers.

The labels contain one of six pictorial symbols showing the safety dangers of the chemicals and also have the appropriate warning printed on them.

Chemicals are classified as explosive, highly flammable, toxic, corrosive, flammable, oxidising, irritant or harmful and each hazard category has its own symbol.

The poster is designed to make users of dangerous chemicals aware of the symbols and encourage them to read the labels, which give important guidance on their main dangers and safety.

The Packaging and Labelling of Dangerous Substances Regulations (SI 1978 No. 209): HMSO .00 plus postage.

Changes I

BY MICHAEL DONNE, AEROS

WOR CHANGES are likely in
way the world's airlines fix
res and cargo rates, as a re-
ult of a top-level examination
them by the International Air-
transport Association.

A team consisting of chairmen
d chief executives of five
or airlines, including Mrs.
Stainton, chief executive of
ish Airways, was set up at
a association annual meeting
Madrid last November, to
dy ways of changing associa-
e methods which had become
creasingly out of step with
nity changing moods of

Amoco

6 3/4

NOTICE IS HEREBY
paragraph of Section
which the Debenture
Finance Corporation
Debentures on June 1
amount thereof, togeth
together with all cou
date, at the Corporat
of New York, 15 B
of Morgan Guaranty
London and Paris, th
office of Bank Mees & L
S.A. Luxembourg
City will be made by
dollar account mainta
On and after June

April 27, 1978

from the new Furzebrook rail terminal. In addition, British Gas and BP are increasing underground pipelines and doubling oil storage capacity near the field.

Furthermore, the partners want to evaluate the structure by drilling more deep wells in the area, a move which could be hampered by the council.

Mr. Alan Swindall, county planning officer, said he was recommending that the rate of drilling should be slowed. He suggests that plans for extending the rail terminal should be refused.

British Gas Corporation's search for oil in the Purbecks, and the search for oil in the peninsula in the east of the county, has met with opposition from local and national environmentalists. Now, the corporation wants to extend its search into the environmentally sensitive Poble Harbour area.

Another NVT project is the supply of Can-Am motorcycles for the British Army to replace aged BSAs.

New chairman

It has about 15,000 companies in direct membership, but claims to speak for 200,000 concerns overall when the members of its affiliated employers' and trade associations are included.

The Post Office will now be the confederation's biggest member.

Others among the 500 which have become members since April last year include retailers such as Marks and Spencer, J. Sainsbury and Mothercare, insurance companies such as the Prudential and the Pearl, and industrial and other concerns such as J. C. Bamford, European Ferries and Godfrey Davis.

The recent Budget is described as "a grave let-down" for the construction sector. And it had not raised confidence, a vital prerequisite of any full recovery in output.

The report emphasises that only a small proportion of the £1.4bn. public expenditures cut made over the past two years have yet been restored. Political interference in the affairs of the industry, it adds, have now reached the point where the efficiency of the industry is threatened.

THE BRITISH Institute of Management has reiterated its call for a reduction in the top 45 per cent. standard rate of income tax to 32 per cent. together with cuts in the higher rates, in a letter to the Chancellor from Sir Derek Ezra, the institute's chairman.

Derek said that while the Budget measures provided some welcome reduction in direct taxation, they failed to provide the encouragement and incentive for skilled people and managers needed for economic recovery.

The Budget measures had meant a four per cent. boost to take-home pay for those on the top earnings band and only 2.5 per cent. for the middle manager and technical specialist.

THE EFFECTS on employment of the new electronic telephone exchange system, System X, which will be introduced into service from the early 1980s, are already being felt in the telecommunications manufacturing industry.

STC, the U.K. arm of ITT and one of the three major suppliers of telecommunications equipment to the Post Office, is to cut its 15,000 workforce in telecommunications manufacture to 13,000 by 1985.

This reduction is a further stage in a programme of staff cuts, which has already been responsible for the loss of 6,000 jobs at STC in the last two years.

THE PRICE war among the big supermarkets is forcing major chain stores to re-assess their food trade.

F. W. Woolworth is carrying out a major review of food sales in its 1,000-plus branches. Over the past few years Woolworth's has dropped food and grocery sales from about 400 of its smaller stores because they have become less profitable.

Pressure on profit margins made them uneconomic.

Woolworths expect to complete their review of food departments in smaller stores over the next six weeks. Mr J. Bradwell, the company's buying director, said yesterday that departments were constantly monitored for profitability. As margins were eroded, the company had to decide whether it was economic to maintain food sales.

Pressure on the Autumn store was sparked off last Autumn by

This informative brochure outlines the Hewlett-Packard approach to doing business, and summarises the expertise and resources which we at Hewlett-Packard bring to our customers. For free copy, please write to Mr. P. J. Holden, Hewlett-Packard Ltd., Wincoburn, Wokingham, Berks. RG11 5AR.

A team consisting of chairmen and chief executives of five major airlines, including Mr. Ross Stainton, chief executive of British Airways, was set up at the association annual meeting in Madrid last November, to study ways of changing association methods which had become increasingly out of step with rapidly changing moods of

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the first paragraph of Section 3.01 of the Indenture dated as of January 4, 1968, under which the Debentures described above were issued, Amoco International Finance Corporation has elected to exercise its option to redeem all outstanding Debentures on June 1, 1978, at the redemption price of 101% of the principal amount thereof, together with accrued interest to said date.

Payment will be made upon presentation and surrender of the Debentures, together with all coupons appertaining thereto maturing subsequent to said date, at the Corporate Trust Office of Morgan Guaranty Trust Company of New York, 15 Broad Street, New York, N.Y. 10015, the main offices of Morgan Guaranty Trust Company of New York in Brussels, Frankfurt, London and Paris, the main office of Banca Vonwiller, S.p.A. in Milan, the office of Bank Mees & Hope N.V. in Amsterdam or the main office of Kredietbank S.A. Luxembourg in Luxembourg. Payment at any office outside New York City will be made by check drawn on a dollar account, or by transfer to a dollar account maintained by the payee, with a New York City bank.

1078-10807-10808 on said Debentures will cease to accrue.

AMOCO INTERNATIONAL FINANCE CORPORATION
By: Chemical Bank, Trustee

April 27, 1978

HEWLETT PACKARD

Winnersh, Wokingham, Berks RG11 5AR Tel: Wokingham 784774

LABOUR NEWS

Double pay for State workers—engineers

BY CHRISTIAN TYLER, LABOUR EDITOR IN WORTHING

THE ENGINEERING union's aptitude for self-contradiction showed itself yesterday when, having just chosen a moderate Mr. Terry Duffy, for its next president, it decided to ask for Government industrial workers' wages to be doubled.

Almost unanimously, the 52-member national committee of the engineering section of the Amalgamated Union of Engineering Workers adopted a resolution seeking to raise the pay rates for skilled men in naval dockyards and other Government establishments to £100 a week.

Left-wingers, still shell-shocked from their defeat in the elections announced on Tuesday, were quick to seize their opportunity in what could be a dress policy debate.

Mr. Jimmy Reid, the shipyard shop steward from Clydebank, leapt in to embarrass the Right-wing by saying: "The union will have over-fulfilled by expectation of what my attitude would be on the next round of wage bargaining. I can only assume

we are not going to have different castes."

What was right for thousands of industrial civil servants, he said, was right for the rest of the union's 1.2m. members.

He was backed by Mr. Ron Halverson, a leading Communist from Hatfield, who successfully moved an amendment deleting from another resolution about Government industrial workers any suggestion that a 10 per cent pay offer within the current guidelines would be considered.

The engineers' decision coincides with a campaign being mounted by the transport workers, which represents about 80,000 of the 175,000 workers involved.

The transport workers have planned a rally and lobby of Parliament next Wednesday in an attempt to force the Government to admit that, in the wake of a special deal for the armed forces, the workers who support the military should be equally well treated.

Mr. Harold Robson, AUEW executive council member responsible for the industry, said he had been "appalled" at the low level of craftsmen's pay in the Civil Service. He accused Government officials of arrogance in their dealings with the unions.

"It's disgusting that people of such a high level of skill should be receiving such a low level of wages."

Including pay policy supplements, minimum earnings ranged between £38.50 and around £55 a week.

The Government industrial workers, who include House of Commons staff and ministerial chauffeurs, are due to settle on July 1. They are one of the last groups in the incomes policy round.

But the transport workers want another deal for them next April 1, in spite of any attempt to extend the 12-month rule on the Government's part, to bring them on to the same pay date as white-collar civil servants.

Three disputes halt Leyland Cars plant

BY PETER CARTWRIGHT

THE IMPORTANT bodymaking plant at Leyland Cars, Castle Bromwich, Birmingham, was brought to a standstill yesterday by three disputes.

More than 4,000 were laid off until further notice.

The closure will disrupt production of best-selling ranges at three car centres in Coventry (nearly 700 Jaguars a week), Solihull (1,500 Rover saloons) and Longbridge, Birmingham (3,000 Minis). All have a high export content.

Unless the disputes are settled, lay-offs could begin early next week. This would be a major blow to Leyland's hopes of recovering its market share, which slumped from 31 per cent in March to less than 20 per cent last month. Stocks are at a low level.

The most serious dispute involves 66 tool-fitters who have been on strike since the appointment of a supervisor. They say he is not suitably qualified, but the management claims that he is a former millwright who has been a foreman for 17 years. He has worked in the section, which also includes millwrights and pipe-fitters, for two years.

Also on strike over a new supervisor are 16 plant maintenance workers. The supervisor also has been appointed from within the section.

In a third strike, of engineering workers, now in its second week, are a dozen garage mechanics. They are demanding a higher grading for work the company is insisting must be carried out.

Marks and Spencer profit-share scheme

By Paul Taylor, Industrial Staff

MARKS AND SPENCER yesterday became the second major retail group to announce a staff profit-sharing scheme.

Up to 17,000 of the 42,000 Marks and Spencer staff are expected to qualify for the scheme initially and should receive their share certificates by the end of June.

Last month the House of Fraser announced a similar scheme benefiting about half its 50,000 employees.

Details of the Marks and Spencer scheme were announced in a letter to staff from Sir Marcus Sieff, M and S chairman, following the publication of the company's trading results for the year ending March 31.

In his letter Sir Marcus says the company feels staff should have a greater share in the prosperity and profitability of the business. This year the Board has set aside £2m. from the company's profits to buy shares for employees.

Only those who have completed five years unbroken service with the company by March 31 this year will initially be entitled to take part in the scheme.

Each qualifying employee will receive share certificates worth 4 per cent of their gross earnings over the preceding year less tax. The price at which the shares will be allocated will be fixed according to the average share price over the preceding 21 days.

The average qualifying employee will receive shares worth about £80, though the actual amount will depend upon earnings. Once the shares have been issued the staff shareholder will have full shareholder rights and will be free to sell the shares.

Each year the Board will decide whether to make another share allocation and if so, to what value. At present the company's scheme does not meet with all the requirements of the Finance Bill scheme which sets a ceiling of £500 to qualify for the Bill's tax concessions.

If the Bill is passed intact Marks and Spencer will consider whether to alter its own scheme.

ACAS rejects claim by polytechnic staff

BY ALAN PIKE, LABOUR CORRESPONDENT

THE "WIDER implications" of polytechnics where it was seeking recognition—the third was Association of Polytechnic Teachers in three polytechnics would not be in the interests of good industrial relations, the Advisory, Conciliation and Arbitration Service has decided after an investigation.

At two of the polytechnics—Portsmouth and Lancaster, Coventry—the conciliation service found that a majority of lecturers who replied to a questionnaire favoured being represented by the association.

But, in similar terms to two findings in the engineering industry against the United Kingdom Association of Professional Engineers, the conciliation service concludes that while the views of the people involved are an important factor these must be balanced against "a number of other considerations" including the employment policies desired by management and existing negotiating procedures.

Pay and conditions of further education teachers are negotiated by unions appointed to the Burnham panel by the Secretary of State for Education and Science. The association is not on the panel and the present matter for conciliation service or recognised unions at the three courts.

White collar unions, he said, should not necessarily respond to merger approaches from staff associations in areas where they had little, if any, experience. They must also consider before embarking on new fields of recruitment whether they could provide an adequate service to their new members.

Awards by the TUC disputes of State for Education and Science, the association is not on the panel and the present matter for conciliation service or recognised unions at the three courts.

New deal for hospital consultants

BY DAVID CHURCHILL

A NEW contract for hospital consultants which would give increased pay for more work was offered yesterday by Mr. David Ennals, Social Services Secretary.

Negotiations on the contract have been going on for over a year. But the new contract will be considered formally today by the Central Committee for Hospital Medical Services, which represents the 13,000 hospital and dental consultants. It could be put to a ballot for ratification.

If accepted, it will replace the present (non) of open-ended commitment for consultants with a more rigid formula which will compensate extra work.

At present, consultants either work full-time for the National Health Service or receive a proportion of the full-time salary while retaining the right to carry out private practice.

Under the new contract, all consultants will hold a basic ten-session contract. Eight sessions of three and a half hours

of clinical work will be required for week plus two sessions for administrative work and the doctors' on-call commitment to his patients.

On top of that extra sessions will be available, normally up to a maximum of three for those who do private practice and five for those who do not.

Mr. Ennals is believed to have originally sought to pay a bonus to those consultants who gave up private practice work entirely. Consultants leaders, however, were unhappy at creating such a distinction among their members.

The new contract puts the top scale for consultants earnings at £10,000.

The British Medical Association said last night that "taken overall, the contractual improvements are potentially so great and so far-reaching that the proposals should lead to firm benefits for the great majority of consultants and their patients."

The proposals would, in particular, "offer better prospects to ward-based doctors in the 'shortage' specialties such as geriatrics and radiology."

Tether cross-examination is called 'a travesty'

THE London industrial tribunal hearing the unfair dismissal claim of Mr. C. Gordon Tether former Financial Times columnist gave a warning yesterday that their task could become impossible unless Mr. Tether confined his evidence to the rules of cross-examination.

The warning by Mr. William Wells, QC, tribunal chairman, came after Mr. Thomas Morison counsel for the Financial Times, protested on the 34th day of the hearing about the way Mr. Tether was responding to his cross-examination.

Mr. Morison said it had become quite plain that even simple questions were going to achieve a non-answer.

Miss Melanie Tether, advocate for her father during his cross-examination, said that he must be given a chance to reply to questions which were "wrapped up in comment."

Mr. Tether said that if he were not able to do this, inaccurate comments would be recorded by the tribunal.

After an adjournment, Mr. Wells said he was making a ruling which must be observed and on which the tribunal was unwilling to hear any argument.

"If there is any attempt at argument I shall immediately adjourn the tribunal."

Mr. Wells said that the proceedings during Mr. Tether's cross-examination, not for the first time, had been a travesty of the judicial process, and through no fault of Mr. Morison. Parties must recognise that the purpose of the hearing was to enable the tribunal to reach a decision, not for conducting a debate in which points were scored at the expense of opponents.

The tribunal was not prepared to tolerate either the making of speeches in answer to questions, nor objections to questions unless the objection was based on a genuine doubt as to a question's admissibility in law.

Mr. Wells continued: "Failure to act on this ruling, though it will not affect our determination to do justice to both parties, may inevitably have a serious effect on Mr. Tether's case. We are here on Mr. Tether's initiative to adjudicate on his application, and if he is unwilling to observe the rules our task may become an impossible one."

Mr. Tether protested but Mr. Wells repeated that he was not prepared to hear argument.

Later, after another clash between Mr. Morison and Mr. Tether, who maintained he was answering the questions put as fairly as he possibly could, there were two adjournments during which Mr. Morison considered whether to abandon his cross-examination.

When the tribunal resumed in public Mr. Morison said he had reconsidered the position, although he had been plain that during the two-and-a-half days of his cross-examination there had been times when he had been unable to obtain a coherent or constructive answer from Mr. Tether to proper questions, to such an extent that this part

of the hearing had become a travesty of justice.

The Financial Times still did not fully appreciate Mr. Tether's case and was unable for that reason to test it properly by question and answer. But, his cross-examination was almost complete and he had decided to reach a decision to continue it.

Mr. Tether said he would be making a considered response to criticisms which had been made of him and which he rejected.

Mr. Morison put to Mr. Tether that over the years he had a number of discussions with Sir Gordon Newton, the Financial Times' predecessor, and Lord Droghda, then chairman of the Financial Times, about editorial direction over his column.

He had had arguments with both of them over the way the column was being edited.

Mr. Tether replied that he had had rows with Lord Droghda because he had tried to go over Sir Gordon's head to influence the content of his column. While he was quite happy to listen to what Lord Droghda had to say, he was not prepared to discuss the column with him.

Board messages

The "rows" with Sir Gordon, insofar as they were rows, were largely concerned with messages Sir Gordon brought from the board room and second-hand suggestions that he should behave in certain ways. On these occasions he would tell him his column was independent and that the feelings of the board were not such that he should take account of them.

Mr. Tether added that he had an arrangement and understanding with Sir Gordon and he kept to it. In the 18 years of their association they had one minor tiff when there was a suggestion from Sir Gordon that he should "lay off" the Common Market issue. This was speedily resolved. Otherwise, he was entirely unconscious of editorial direction under Sir Gordon's editorship.

The hearing was adjourned until today.

Pay 'will not leapfrog while inflation falls'

FREE COLLECTIVE bargaining point to a declining rate of inflation, free collective bargaining to pay leap-frogging provided will not mean the kind of free inflation continued to decline, for all leap-frogging of wage Mr. Ken Thomas, president, told the National Federation of Professional Workers Conference in London yesterday.

He said the vast majority of unions had settled within the guidelines of Phase Three membership of the federation "because no one wished to take on the Government."

Now the union movement was unable to accept any further stages of incomes policy. "Demand for the restoration of free collective bargaining will be something the Government can no longer fail to acknowledge," said Mr. Thomas, who is general secretary of the Civil and Public Services Association.

He went on: "So long as the Government can continue to point to a declining rate of inflation, free collective bargaining will not mean the kind of free inflation continued to decline, for all leap-frogging of wage Mr. Ken Thomas, president, told the National Federation of Professional Workers Conference in London yesterday.

Wage increases were not the basic cause of inflation but the consequence of price increases. Mr. Thomas said the affiliated membership of the federation had trebled in 18 years, to two million.

In the last three years, during which no new unions had joined, the increase had been due entirely to the growth of trade unionism in the non-manual field.

"More and more workers—especially salaried employees—are turning to unions for the security and improvement of their conditions which they feel they increasingly need."

Portsmouth Polytechnic's School of Management Studies

PMO Portsmouth Management Centre

141 High Street, Portsmouth PO1 2HY - Tel: 0705/812611

Industrial Relations Today

on site or at P.M.C. in different forms to suit differing needs we offer practical help and training in attitudes, skills and knowledge of

Employee Participation

1. To non-union organisations about to initiate joint consultation.
 2. For multi-union organisations—on how to promote informed negotiated collaboration through joint training of senior managers and shop stewards.
 3. For personnel and senior managers—a company monitored series of industrial relations seminars.
- The above services are offered on a cost-per-day basis. Those below on a one- or two-week P.M.C. residential basis.
4. For multi-establishment organisations—an I/R Practitioner's Course for Personnel and Senior Line Managers monitored by corporate executives.
 5. For personnel, training and senior line managers—an all-comers I/R Practitioner's Foundations Course on Contemporary British Industrial Relations.
 6. On request from industrial training boards—a systematically documented I/R Course to meet specific needs of personnel and senior line managers in a particular industry.

For further particulars please ring John Barber, Principal Lecturer in Industrial Relations, 0705/842281, or the I/R Courses Secretary, 0705/812611.

Brings a fresh new climate to industrial relations—quickly and economically

JJ Ventilation Limited
13 Downy Square, Bristol BS8 4SL
Tel. Bristol 291295

Notice of Redemption

Philip Morris International Capital N.V.

8 1/4 % Guaranteed Sinking Fund Debentures Due 1986

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of June 1, 1971, under which the above designated Debentures were issued, Citibank, N.A. (formerly First National City Bank), as Trustee, has selected for redemption through the operation of the Sinking Fund, on June 1, 1978 (the "redemption date") at 100% of the principal amount thereof (the "redemption price"), together with accrued interest to the redemption date, \$600,000 principal amount of said Debentures bearing the following distinctive numbers:

SINKING FUND DEBENTURES BEARING THE PREFIX LETTER M									
27	700	1463	2395	3543	4263	5112	6279	6749	7215
28	701	1464	2396	3544	4264	5113	6280	6750	7216
29	702	1465	2397	3545	4265	5114	6281	6751	7217
30	703	1466	2398	3546	4266	5115	6282	6752	7218
31	704	1467	2399	3547	4267	5116	6283	6753	7219
32	705	1468	2400	3548	4268	5117	6284	6754	7220
33	706	1469	2401	3549	4269	5118	6285	6755	7221
34	707	1470	2402	3550	4270	5119	6286	6756	7222
35	708	1471	2403	3551	4271	5120	6287	6757	7223
36	709	1472	2404	3552	4272	5121	6288	6758	7224
37	710	1473	2405	3553	4273	5122	6289	6759	7225
38	711	1474	2406	3554	4274	5123	6290	6760	7226
39	712	1475	2407	3555	4275	5124	6291	6761	7227
40	713	1476	2408	3556	4276	5125	6292	6762	7228
41	714	1477	2409	3557	4277	5126	6293	6763	7229
42	715	1478	2410	3558	4278	5127	6294	6764	7230
43	716	1479	2411	3559	4279	5128	6295	6765	7231
44	717	1480	2412	3560	4280	5129	6296	6766	7232
45	718	1481	2413	3561	4281	5130	6297	6767	7233
46	719	1482	2414	3562	4282	5131	6298	6768	7234
47	720	1483	2415	3563	4283	5132	6299	6769	7235
48	721	1484	2416	3564	4284	5133	6300	6770	7236
49	722	1485	2417	3565	4285	5134	6301	6771	7237
50	723	1486	2418	3566	4286	5135	6302	6772	7238
51	724	1487	2419	3567	4287	5136	6303	6773	7239
52	725	1488	2420	3568	4288	5137	6304	6774	7240
53	726	1489	2421	3569	4289	5138	6305	6775	7241
54	727	1490	2422	3570	4290	5139	6306	6776	7242
55	728	1491	2423	3571	4291	5140	6307	6777	7243
56	729	1492	2424	3572	4292	5141	6308	6778	7244
57	730	1493	2425	3573	4293	5142	6309	6779	7245
58	731	1494	2426	3574	4294	5143	6310	6780	7246
59	732	1495	2427	3575	4295	5144	6311	6781	7247
60	733	1496	2428	3576	4296	5145	6312	6782	7248
61	734	1497	2429	3577	4297	5146	6313	6783	7249
62	735	1498	2430	3578	4298	5147	6314	6784	7250
63	736	1499	2431	3579	4299	5148	6315	6785	7251
64	737	1500	2432	3580	4300	5149	6316	6786	7252
65	738	1501	2433	3581	4301	5150	6317	6787	7253
66	739	1502	2434	3582	4302	5151	6318	6788	7254
67	740	1503	2435	3583	4303	5152	6319	6789	7255
68	741	1504	2436	3584	4304	5153	6320	6790	7256
69	742	1505	2437	3585	4305	5154	6321	6791	7257
70	743	1506	2438	3586	4306	5155	6322	6792	7258
71	744	1507	2439	3587	4307	5156	6323	6793	7259
72	745	1508	2440	3588	4308	5157	6324	6794	7260
73	746	1509	2441	3589	4309	5158	6325	6795	7261
74	747	1510	2442	3590	4310	5159	6326	6796	7262
75	748	1511	2443	3591	4311	5160	6327	6797	7263
76	749	1512	2444	3592	4312	5161	6328	6798	7264
77	750	1513	2445	3593	4313	5162	6329	6799	7265
78	751	1514	2446	3594	4314	5163	6330	6800	7266
79	752	1515	2447	3595	4315	5164	6331	6801	7267
80	753	1516	2448	3596	4316	5165	6332	6802	7268
81	754	1517	2449	3597	4317	5166	6333	6803	7269
82	755	1518	2450	3598	4318	5167	6334	6804	7270
83	756	1519	2451	3599	4319	5168	6335	6805	7271
84	757	1520	2452	3600	4320	5169	6336	6806	7272
85	758	1521	2453	3601	4321	5170	6337	6807	7273
86	759	1522	2454	3602	4322	5171	6338	6808	7274
87	760	1523	2455	3603	4323	5172	6339	6809	7275
88	761	1524	2456	3604	4324	5173	6340	6810	7276
89	762	1525	2457	3605	4325	5174	6341	6811	7277
90	763	1526	2458	3606	4326	5175	6342	6812	7278
91	764	1527	2459	3607	4327	5176	6343	6813	7279
92	765	1528	2460	3608	4328	5177	6344	6814	7280
93	766	1529	2461	3609	4329	5178	6345	6815	7281
94	767	1530	2462	3610	4330	5179	6346	6816	7282
95	768	1531	2463	3611	4331	5180	6347	6817	7283
96	769	1532	2464	3612	4332	5181	6348	6818	7284
97	770	1533	2465	3613	4333	5182	6349	6819	7285
98	771	1534	2466	3614	4334	5183	6350	6820	7286
99	772	1535	2467	3615	4335	5184	6351	6821	7287
100	773	1536	2468	3616	4336	5185	6352	6822	7288

PARLIAMENT AND POLITICS

Wales Bill powers granted to peers

BY IVOR OWEN, PARLIAMENTARY STAFF

SIGNIFICANT concession was made by the Government last night in the constitutional controversy over the attempt to make the devolution legislation to ensure that the view of the Commons prevails in any clash with the House of Lords.

Under a new clause added to the Wales Bill the date on which the provisions become law—assuming the establishment of a Welsh Assembly is backed in the referendum by a "yes" vote equal to 40 per cent of the Welsh electorate—will be dependent on an Order being passed by both Houses of Parliament.

An earlier provision in the bill, rejected at the committee stage when the Government was defeated as the result of an alliance between Conservative MPs and the Welsh Nationalists, enabled the Commons alone to activate the legislation in the event of disagreement with the Lords.

Mr. John Smith, Privy Council Minister of State, admitted that the concept that the Commons should be empowered to produce a major constitutional change by the "backdoor"—had been in for a "certain amount of moderate criticism."

But, despite Opposition pressure, he declined to indicate what the Government's attitude will be to the firm stand already taken by the Lords in throwing out all the provisions in the Scotland Bill giving the Commons "overrule" powers.

Mr. Smith said the Government's attitude would be made clear when the Scotland Bill is returned to the Commons to enable the amendments passed by the Lords to be debated.

Welcoming the Government's change of mind in regard to the powers of the Lords in relation to the Wales Bill, Mr. Francis Pym, Conservative spokesman on devolution, said it would have been absolutely wrong for a situation to have emerged in which the Commons was able to override not just the House of Lords but the Welsh Assembly as well.

Mr. Pym stressed that it was the strongly held objections to the attempt to limit the power of the House of Lords which led Tory MPs to join with the Welsh Nationalists in opposing the earlier provision defeated at committee stage.

Mr. Smith explained that the new clause was designed to remedy a "certain situation" left by that defeat, which would otherwise have resulted in the

Labour MP has to withdraw 'bigot' charge

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

AN ATTEMPT by a Tory MP to introduce a Bill to prevent trade unions expelling members for political reasons was narrowly rejected by a majority of six votes (181-175) amid acrimonious scenes in the Commons yesterday.

The new clause, approved by 235 votes to 17, would enable a referendum to take place on the Government's Welsh devolution proposals before there was any question of the Bill becoming law.

Mr. Dafydd Wigley (Plaid Cymru, Caernarfon), who led the opposition to the new clause, accused the Government of making "one further move back down the slippery slope of compromise" in giving way on the question of the Commons being able to override the Lords in any clash between the two Houses.

Plaid Cymru, he emphasised, was opposed to the new clause because the introduction of the 40 per cent threshold meant a "loaded referendum" which would make it difficult for the people of Wales to obtain a Welsh Assembly.

Opposing the Bill, Mr. Tom Litterick (Selly Oak), a prominent Left-winger, described its sponsor, Mr. Robert Adley (C. Christchurch and Lymington) as an "ignorant bigot."

After protests from other MPs, the Speaker, Mr. George Thomas, called on Mr. Litterick to withdraw this "offensive remark."

Eventually, Mr. Litterick agreed to do so, although Mr. Adley insisted that he would rather be insulted than praised by him.

Attempting to introduce the Bill under the ten-minute rule procedure, Mr. Adley said that when union membership was withdrawn in a closed shop situation, the member automatically lost his or her employment.

"I believe political expulsion is a threat to liberty. My Bill seeks to control excesses or abuses of power," he declared.

Mr. Adley said the recent proposal that the National Union of Railwaymen should expel members who belonged to the National Front had rightly been condemned by the Prime Minister and by Mr. William Rodgers, Transport Secretary.

The Tory MP maintained that the idea of expelling members from the NUR for participation in politics—however obvious those politics might be—was in itself an obnoxious act.

He also raised the question of the National Union of Journalists who, he said, had expelled Mr. Donny MacLeod, a BBC employee, because he appeared in a TV advertisement for the publishers, D. C. Thomson. But, as the BBC was not a closed shop, he added.

Liberals put case for Bill of Rights

BY RUPERT CORNWELL, LOBBY STAFF

BRITAIN SHOULD endow itself with a Bill of Rights to protect the liberties of the individual, preferably by embodying the European Convention on Human Rights as part of U.K. law enforced, if necessary, by a newly created Constitutional Court.

This plea comes in a pamphlet issued yesterday by Mr. Emyr Hooson, Liberal MP for Montgomery, and will figure prominently in the manifesto on which his party fights the next general election. A Bill of Rights, he says, would not be a panacea for the country's ills. But it would be of "enormous" help in tackling them.

The core of his argument is that basic rights, hitherto taken for granted, are now under threat as an omnipotent Executive, unchecked by Parliament, arrogates more and more of the decision-making process to itself.

"Democracy is in danger in Britain today," the pamphlet says, "because sovereignty is often exercised in disregard of the rights and expectations not only of minorities but of a majority of the population and when the consent of the governed has clearly been withdrawn. Strictly speaking, it is probably no longer a democracy."

Pressing for a Bill of Rights in the U.K. has surfaced intermittently over the past decade and recently won powerful new backers in Lords Seaford and Riddell. If anything, it has intensified with the advent of devolution, and political extremism, and the continuing impasse in Northern Ireland.

Mr. Hooson comes out in favour of the European Convention, as opposed to a purely domestic Bill of Rights, above all because its 27 years in operation have shown that it works, and that to insert it in British law would speed up the process of its application while giving judges a firm body of case law or which to interpret the Convention in the U.K.

The new Bill of Rights would be virtually permanent and would have a status superior to ordinary legislation. This, the pamphlet acknowledges, raises the central objection that it would override Parliament's hitherto absolute sovereignty in the law.

The most difficult problem is the Bill's pre-eminence over future legislation. Mr. Hooson admits that it would be impossible to ensure this, as Parliament could simply overturn the Bill's incorporating statute. Instead, he proposes checks to prevent a Government accidentally or surreptitiously infringing the Bill.

He rejects the frequent criticism that Britain's judges, too Right-wing, establishment-minded and legalistic, would be incapable of the sensitive political task of administering the Bill of Rights through the courts. The "very nature of a Bill of Rights would change the judicial approach," he says.

The existence of a Bill of Rights, the pamphlet claims, might have helped avoid the worst of the Ulster troubles and also have eradicated some of the "regional discrimination" against the provinces, where mainland legislation on homosexuality, among other things, has not been enforced.

Similarly, while a Bill of Rights would protect the rights of extremist racist groups to free speech, it would have barred the "worst aspects of much of our immigration legislation, passed by supposedly liberal Labour and Conservative Governments."

Las Palmas conference defended by Minister

BY OUR PARLIAMENTARY STAFF

MR. WILLIAM RODGERS, a nationalised industry has some-thing to celebrate, it should be defended the decision of the National Freight Corporation to hold a British Road Services management conference in Las Palmas.

The trip came under fire from both Conservative and Labour MPs in the Commons. But Mr. Rodgers told them: "I understand that NFC agreed that this year's BRS management conference should be held in Las Palmas because it was a congenial place to go to and good value for money."

Mr. Michael Roberts (C., Cardiff NW) said the trip had tarnished to some degree the reputation of the management board of BRS which had been successful. "On the rare occasions that ever," he declared.

Mr. Rodgers again disagreed, pointing out that a large number of people travelled abroad for holidays. "If this helps to motivate a nationalised industry, I see nothing wrong with it what- ever," he declared.

'Political bias' by Ulster council

BY OUR BELFAST CORRESPONDENT

THE Loyalist-controlled council in Ballymena, has been accused of "political bias and prejudice" by Mr. Stephen McGonigle, the Northern Ireland Ombudsman.

He found the council guilty of maladministration in a case where a local Gaelic athletic club complained about being excluded from a council list of forthcoming events.

He also said the ban on Gaelic (Irish) words was discriminatory and political bias was at the root of it.

The Rev. Ian Paisley's Democratic Unionist Party controls the council.

Meanwhile, a row broke out yesterday between Unionist parties on Belfast city council after the election of Councillor David Cook, a member of the moderate Alliance Party, as the first non-Unionist Lord Mayor in the council's history.

Two moderate Unionist councillors, including the deputy Lord Mayor, voted against the re-election of Councillor James Stewart, who had held the post for a year.

Mr. McGonigle said: "The council used its management of the calendar of events to inconvenience the proponents of Sunday events in a piecemeal manner, and this I take to have been an unjustified exercise of authority, as well as showing bias and prejudice."

He also said the ban on Gaelic (Irish) words was discriminatory and political bias was at the root of it.

The Rev. Ian Paisley's Democratic Unionist Party controls the council.

Meanwhile, a row broke out yesterday between Unionist parties on Belfast city council after the election of Councillor David Cook, a member of the moderate Alliance Party, as the first non-Unionist Lord Mayor in the council's history.

Two moderate Unionist councillors, including the deputy Lord Mayor, voted against the re-election of Councillor James Stewart, who had held the post for a year.

Scotland Bill defeat in Lords

BY JOHN HUNT

THE GOVERNMENT suffered another defeat on the Scottish devolution legislation in the Lords last night when peers decided that doctors and dentists should continue to have their pay and conditions decided in United Kingdom negotiations.

A Conservative amendment to this effect was carried by a majority of 47 (100-52). The Scotland Bill had stipulated that doctors and dentists in Scotland should have their pay negotiated separately.

Speaking during the committee stage of the Bill, Lord Campbell of Croy, from the Conservative front bench, complained that the Bill, as it stood, would have created differences in pay and conditions on different sides of the border.

This would lead to the danger that doctors and dentists would emigrate to where the pay was the highest.

For the Government, Baroness Siedman argued that the existing Pay Review Board could continue as at present but that the proposed Scottish executive would be involved in the negotiations.

The Tory MP maintained that the idea of expelling members from the NUR for participation in politics—however obvious those politics might be—was in itself an obnoxious act.

He also raised the question of the National Union of Journalists who, he said, had expelled Mr. Donny MacLeod, a BBC employee, because he appeared in a TV advertisement for the publishers, D. C. Thomson. But, as the BBC was not a closed shop, he added.

Sharp rise in numbers wishing to quit forces

BY MICHAEL DONNE, DEFENCE CORRESPONDENT

FIGURES released officially by the Ministry of Defence last night confirmed the much-criticised unofficial "leaks" about the sharp rise in the number of men wishing to leave the forces because of dissatisfaction over pay.

The "leaks" were sharply attacked in the Commons last week by Mr. James Callaghan, ally from 245 in 1971-72 to reach 77 in 1977-78.

The navy, in a slightly better position, but even there the number has risen from 234 in 1970-71 to reach 307 in 1977-78.

The Ministry of Defence made no comment in issuing the figures.

Booth satisfied on deals seen by Department

BY OUR PARLIAMENTARY STAFF

MR. ALBERT BOOTH, Employment Secretary, told the Commons last night that he was satisfied that the substantial majority of productivity deals of which his department was aware were genuine.

In a Commons written answer, Mr. Booth said: "In any case, where the anticipated rise in productivity failed to materialise, we would expect the company to take steps to bring the scheme back into conformity with the Government's guidelines."

He added: "If such steps were not taken, we would need to consider the use of the discretionary powers referred to in the White Paper. The attack on inflation."

Cost rules out Channel tunnel

BY OUR PARLIAMENTARY STAFF

A CHANNEL tunnel does not fit the Government's own position as the Government's own position has not changed and we cannot contemplate such large figures of public expenditure at the present time.

"If there were to be any proposals from the European Community or elsewhere, I would be prepared to consider them," he added.

BOND DRAWING

Austrian Government International Loan 1930 Assented Sterling Bonds

NOTICE IS HEREBY GIVEN that a Drawing of Assented Sterling Bonds of the above Loan took place on 17th April 1978 in connection with funds available for sinking Fund payments on the 15th April 1978.

The Bonds carrying the numbers mentioned below have been drawn for redemption at £103 per cent and are payable as from 30th July 1978 at the offices of Morgan Grenfell & Co. Limited, London, and Bank Mees & Hope NV, Amsterdam. No further interest will accrue on these bonds.

Bonds presented for redemption shall be accompanied by all unclaimed interest coupons otherwise an amount equivalent to the missing coupons will be withheld from the principal sum to be repaid.

here a firm body of case law or a wish to interpret the Convention in the U.K.

The New Bill of Rights would be virtually permanent and would have a status superior to ordinary legislation. This, the pamphlet acknowledges, raises the central objection that it would override Parliament's hitherto absolute sovereignty in the realm.

The most difficult problem is the Bill's pre-eminence over future legislation. Mr. Hooson admits that it would be impossible to ensure this, as Parliament could simply overturn the Bill's incorporating statute. Instead, the proposes checks to prevent a Government accidentally or

BONDS DRAWN					
5 bonds of nominal value of £1,000					
Draw Number	Corresponding Capital Sheet Number (A)	Draw Number	Corresponding Capital Sheet Number (A)	Draw Number	Corresponding Capital Sheet Number (A)
21888	75	21961	34	21903	60
21985	32			21908	63

33 bonds of nominal value of £500					
Draw Number	Corresponding Capital Sheet Number (A)	Draw Number	Corresponding Capital Sheet Number (A)	Draw Number	Corresponding Capital Sheet Number (A)
20023	49	20088	278	20208	168
20215	153	20221	155	20246	373
20249	378	20255	382	20257	384
20275	402	20278	405	20284	411
20403	430	20410	437	20412	439
20432	458	20444	471	20647	287
20652	120	20659	211	21041	160
21863	264	21880	183	21892	185
21785	177			21897	181

345 bonds of nominal value of £100					
Draw Number	Corresponding Capital Sheet Number (A)	Draw Number	Corresponding Capital Sheet Number (A)	Draw Number	Corresponding Capital Sheet Number (A)
85	85	107	107	132	132
105	105	128	128	143	143
108	108	149	149	159	159
124	124	161	161	169	169
126	126	170	170	171	171
128	128	172	172	173	173
129	129	174	174	175	175
130	130	176	176	177	177
131	131	178	178	179	179
132	132	180	180	181	181
133	133	182	182	183	183
134	134	184	184	185	185
135	135	186	186	187	187
136	136	188	188	189	189
137	137	190	190	191	191
138	138	192	192	193	193
139	139	194	194	195	195
140	140	196	196	197	197
141	141	198	198	199	199
142	142	200	200	201	201
143	143	202	202	203	203
144	144	204	204	205	205
145	145	206	206	207	207
146	146	208	208	209	209
147	147	210	210	211	211
148	148	212	212	213	213
149	149	214	214	215	215
150	150	216	216	217	217
151	151	218	218	219	219
152	152	220	220	221	221
153	153	222	222	223	223
154	154	224	224	225	225
155	155	226	226	227	227
156	156	228	228	229	229
157	157	230	230	231	231
158	158	232	232	233	233
159	159	234	234	235	235
160	160	236	236	237	237
161	161	238	238	239	239
162	162	240	240	241	241
163	163	242	242	243	243
164	164	244	244	245	245
165	165	246	246	247	247
166	166	248	248	249	249
167	167	250	250	251	251
168	168	252	252	253	253
169	169	254	254	255	255
170	170	256	256	257	257
171	171	258	258	259	259
172	172	260	260	261	261
173	173	262	262	263	263
174	174	264	264	265	265
175	175	266	266	267	267
176	176	268	268	269	269
177	177	270	270	271	271
178	178	272	272	273	273
179	179	274	274	275	275
180	180	276	276	277	277
181	181	278	278	279	279
182	182	280	280	281	281
183	183	282	282	283	283
184	184	284	284	285	285
185	185	286	286	287	287
186	186	288	288	289	289
187	187	290	290	291	291
188	188	292	292	293	293
189	189	294	294	295	295
190	190	296	296	297	297
191	191	298	298	299	299
192	192	300	300	301	301
193	193	302	302	303	303
194	194	304	304	305	305
195	195	306	306	307	307
196	196	308	308	309	309
197	197	310	310	311	311
198	198	312	312	313	313
199	199	314	314	315	315
200	200	316	316	317	317
201	201	318	318	319	319
202	202	320	320	321	321
203	203	322	322	323	323
204	204	324	324	325	325
205	205	326	326	327	327
206	206	328	328	329	329
207	207	330	330	331	331
208	208	332	332	333	333
209	209	334	334	335	335
210	210	336	336	337	337
211	211	338	338	339	339
212	212	340	340	341	341
213	213	342	342	343	343
214	214	344	344	345	345

THE JOBS COLUMN

An end... and a beginning • Transfer fees

BY MICHAEL DIXON

TO-DAY BRINGS the last once-weekly Jobs Column in a series which has run, barring holidays and accidental pauses, since January 8, 1973.

But be warned lest a careless reading of those words should give rise to premature rejoicing or—as I would prefer to hope—twinges of regret. For the reason why this is the last once-weekly Jobs Column is that, from May 9, the column is to appear twice a week, on Tuesdays as well as Thursdays.

Although a little shorter, its broad object will stay the same: to provide an editorial service to readers by reporting and discussing matters related to employment, particularly for managerial and associated specialist workers.

On the old familiar basis, however, I hope to build a new development. To interest managerial-type people in the U.K. was the sole ambition when the column first began in November 1969. That initial series ran for only 12 months before other newsworthy matters, including student revolt, drove it into abeyance.

It stayed there through 1972.

But people nevertheless kept writing and ringing to suggest suitable cases for Jobs Column treatment.

This presented something of a quandary. It suggested, on the bright side, that there was sufficient interest to justify a re-start. On the dark side, it indicated that the most interested people were those who had somehow failed to notice that the column hadn't appeared for nearly three years; and the idea of writing in a way that continues to interest people who don't read it is enough to give a journalist nightmares. But it was decided to look on the bright side, and the weekly column returned.

From my viewpoint, that was a sound decision because the contact it has given me with readers over the past five years and more makes this a most profitable thing to write. And while most readers are clearly still people whose job interests are confined to the U.K., there has been increasing evidence of a fairly wide international readership too.

The first plain sign of this that I can remember came a few years ago when, after reporting the start of a new U.K. operation by an American group, there quickly arrived a knowledge about everything

request to be put in touch from a man in Los Angeles. After a short telephone call I was able to reply by return that the group had an office just around the corner in Los Angeles, and that the man to speak to was called Paul Blair. That at least gave the inquirer a bit more information than he could have got from his own telephone directory.

But we don't stop short at the U.S. For instance, while I am not so unrealistic as to think it happens to everyone, the column mentions one concern discussed recently received responses from France, Belgium, Holland, Spain, Switzerland, Algeria, and South Africa, as well as from Britain and the Channel Islands.

Given this and other evidence of extensive readership, and in view of the Financial Times's plans to develop its services to readers in other countries, it seems only sensible to try to add a more international scope to this column's discussion of managerial employment and related topics.

In making this attempt I hope to use the doubled frequency to provide more full-length articles on general issues, and since—while they may try to give people the opposite impression—journalists do not really have instant

everywhere. I would be grateful for any help readers anywhere might be willing to give by way of advice about noteworthy questions and so on.

As before, the column will also aim to report editorially on specific jobs open to managers and specialists who speak English whether as their native or as an additional language. Employers and recruitment agencies will therefore continue to be welcome to send in details of such jobs, provided they accept that the choice of which to report remains absolutely an editorial prerogative.

Here, however, I plan to experiment for at least the next couple of months or so with a change in the column's ground rules. Previously it has not reported on jobs being dealt with by consultants unless the report could name the employing concern. But since consultants often have sound reasons for not naming the employer, this seems a good time to test changing the rule.

From next week, therefore, the column will be willing to consider reporting on job openings without publishing the name of the employer, on three conditions.

The first is that the job is being handled for the employer by a bona fide consultant or agency, which can be named.

The second is that the column is notified in confidence of the name of the employer. The third is that the consultancy or agency dealing with the job will guarantee to honour any request by an applicant that his or her interest in the post should not be made known to the employer until specific permission is given later on.

After all, if employers are to have a right to anonymity in the initial stages, it is only fair that applicants should have one too.

This change, as I have said, is being made experimentally and if the results should fall short of satisfaction, the column will revert once more to its insistence on naming the employing concern.

Easy come...

NOW to a topic of doubtless, world-wide appeal. I have just heard from the international recruitment consultancy of Billington, Fox and Ellis that the practice of paying what might be called "personal transfer fees" to managers of noticeable worth seems to be growing more and more popular in the United States. BF and E, which operates in Europe in partnership with Eurosearch Consultants, refers to the payments,

however, as "front-end bonuses." The apparent record fee was paid two or three years ago to one Michel Bergerac, on the occasion of his leaving ICI to head the Revlon concern. The sum, I gather, was \$1.3m.—on a hearing of which the other day, a senior British recruiter said: "Blimey! If somebody paid me that much, it wouldn't make me want to work. It would make me want to retire."

The inducement to Mr. Bergerac, however, was somewhat above the norm. "The rationale of the front-end bonus," adds Billington, "is not to bribe the executive to leave his present job, but to ensure that he suffers no economic damage from switching allegiance."

The consultancy then gives as example a sought-after executive who would be required by the "proposed" job-change to move home away from the State where he held a part-time post as a colonel in the National Air Guard, into another where he would have to pay more for his children's education. The extra costs would amount to \$16,000, which was accordingly offered and accepted as a transfer fee.

"One of the larger front-end bonuses we've seen lately was for \$40,000, equal to roughly half a year's salary," BF&E

continues. "The executive in question had certain definite bonus expectations. The only bonus under the company's performance bonus system, he might not qualify in his first year of work. To eliminate this risk, \$14,000 was offered, plus another \$26,000 to make whole what he'd be losing in profit-sharing by leaving his old job."

While the general run of such payments involves considerably smaller sums, they can nonetheless be crucial in persuading the desired candidate to move. Other instances where they tend to be offered include occasions when there is a gap between different employers' policies about relocation expenses or about the purchase and use of cars, or when the change would mean moving from an area where the cost of rates and housing is high to a more expensive district.

"The front-end bonus can be carefully costed, or computed quite casually," the consultancy says. "One executive living in New York, who was sought by a Mid-Western concern, often complained of the many ways he'd stand to lose by the move. We don't want to hear about your troubles. Here's \$20,000 to cover you," said the hiring corporation, and the man's hesitations vanished immediately.

"Incidentally, in this case, half the front-end bonus was paid on the spot, and half six months after he'd been on the job—a recommendation of the executive recruiting consultants involved."

From a quick check with consultants here, I gather that the appealing—and surely just—way of enabling top managers and specialists to turn their skills into capital, is beginning to catch on in other countries besides the U.S.

But I'm sad to say that there was a unanimous belief that front-end bonuses will not become a part of recruitment practice in Britain, and not just because of the Inland Revenue either. "I've heard of, I think, three occasions of payments of that type being offered here," said one London-based recruiter. "But they were of only about £3,000 or £4,000, and they were quite definitely bribes."

"I'd say that the British employment culture generally was against handing over lump sums to persuade people to join you. Not the done thing, you know."

All the same, if managerial transfer fees continue to grow in popularity abroad while not available here, that will be yet another reason for this country's best managerial-types to export their services.

Tanzania up to £20,000 tax free

DIRECTOR OF FINANCE

The Client: The Cashewnut Authority of Tanzania, a leading parastatal responsible for all aspects of the buying, processing and marketing of cashewnuts and associated by-products. With assistance from the World Bank, the Authority is expanding its agricultural support services and processing capacity.

The Job: Based in Mtwara, responsible to the General Manager for the finance and accounting functions. Key areas are financial planning, cash management and systems development. An important priority is assisting with the implementation of a recently designed management information system, and a particular feature is liaising with and preparing regular reports for the World Bank.

The Candidate: Must be a qualified accountant with substantial management accounting experience, preferably including some time spent working in Africa. Aged from 30. Essential personal qualities, within a challenging environment, are resilience, and an ability to motivate staff and to communicate effectively.

The Package: The total package will be sufficiently flexible to attract the calibre of candidate required. The main features are a substantial salary, free of local taxes, supplemented by generous leave, free housing, car and other appropriate benefits.

Brief but comprehensive details of career and salary to date, which will be treated in confidence, should be sent to:

E. H. Simpson, The Executive Selection Division - FT723, Coopers & Lybrand Associates Ltd., Management Consultants, Shelley House, Noble Street, London, EC2V 7DQ.

Treasury Management Area Manager.

A vigorous and successful City based bank of long standing wishes to appoint an experienced manager to service its numerous industrial and commercial clients located in West London and beyond.

This will entail visiting Companies of a senior level, identifying their requirements and helping to supply these in a creative manner. The job is active, varied and stimulating, and requires initiative, drive and a high level of intelligence.

Desirable specifications:
Banking, Accounting or Legal background.
Industrial, Commercial or Treasury experience.
Ability to get Business.
Age 30/35.

Remuneration around £8,500 with car and other benefits.

Please apply in strict confidence, quoting reference 1782 to Clive and Stokes, 14 Bolton Street, London W1N 3JL.

Clive & Stokes
Appointments & Personnel Consultants

TWO INVESTMENT OPPORTUNITIES

OUR CLIENTS, A MAJOR FIRM OF STOCKBROKERS, WILL SHORTLY APPOINT:

FUND MANAGER—Private Clients 25-35
to assist in the management of large private clients' portfolios on a discretionary basis with a view to taking substantial responsibility at an early stage. The ideal candidate, male or female, should have had experience in a similar situation either with a stockbroker or with a merchant bank.

INSTITUTIONAL SALESMAN 25-35
The ideal candidate will be keen to discuss and develop ideas in the equity market in servicing a wide range of institutional clients. He/she will have had experience in research and/or fund management and will be capable of independent thought and action.

Both appointments are for candidates who will recognise an attractive opportunity to make a long-term career commitment to their organisation.

SALARY IS OPEN TO NEGOTIATION AND WILL INCLUDE GENEROUS OTHER BENEFITS.

Please apply:
Jock Coutts,
7 Wine Office Court,
London EC4A 3BY. 01-353 1858.

Career plan

Financial Director Designate

Pharmaceuticals c. £9,000

Our client, a medium sized pharmaceuticals company located in South East England, is the U.K. subsidiary of an international group and is committed to expansion by internal growth and acquisition.

Due to promotion, the requirement is for a Financial Director who, within six months, will assume total responsibility for the entire Accounting and Financial Management function of the business.

Candidates, male or female, must therefore be qualified Accountants of one of the leading institutes, preferably with a degree, be experienced in controlling such a range of activities, and be familiar with most modern techniques associated with a tightly controlled company. However, they should also be positive and creative in approaching new concepts, and be determined to succeed within such a demanding and vigorous environment. The preferred age range is 30-40.

The remuneration package is negotiable around £9,000 p.a. including profit share, plus company car, pension scheme, BUPA, and relocation expenses if appropriate.

Please write in confidence to John Anderson, as Advisor to the company, quoting reference 819 at

John Anderson & Associates
Nobles House, 57-59, Queen's Road, Birmingham B5 4UJ

GENERAL PARTNER DESIGNATE

West End to £14,000

A well established firm of Chartered Accountants with a progressive and rapidly expanding practice now seeks to recruit a General Partner designate to deal with both recurring and non-recurring work.

The practice provides a complete range of financial services to its clients who range from international groups to smaller concerns. Candidates should be keen to extend their experience into the financial advisory fields.

Applicants, male or female, should have gained at least three years post qualification experience and have the personality and maturity to operate at partner level.

For further written information contact
Jeremy Kilduff or Richard Norman FCA quoting reference 2130.

Public Practice Division
Douglas Lombard Associates Ltd.
Accountants & Management Recruitment Consultants,
410 Strand, London WC2R 0NS Tel: 01-836 9901
121, St. Vincent Street, Glasgow G2 5HW Tel: 041-226 3101
and in Edinburgh.

DIA

Accountants worth £5,000-£10,000

London area and North-East

This advertisement is aimed at the best of young management and financial accounting talent in industry today — men and women who believe they're worth anything up to £10,000 and need a really valid opportunity to prove it.

We are a "household name" consumer product manufacturer with a 9 figure turnover now intending to strengthen our accountancy resources throughout the production, sales and marketing and central services functions. Our objective: to bring in new blood in the shape of high-calibre men and women who, although they will operate at different levels depending on age and experience, can all make an early impact on the quality and effectiveness of our financial control systems.

Business acumen and discipline are therefore high on the list of priorities. So, too, is the ability to thrive and survive under the pressures of considerable growth within our industry. This expansion makes career prospects particularly attractive — both within our company and the major international group we form part of.

There are opportunities for qualified accountants in the London area and the North-East of England, and generous fringe benefits will include assistance with relocation to either area if required. There may also be one or two openings for part-qualified people.

REPLIES will be forwarded, direct, unopened and in strict confidence to the client unless addressed to our Security Manager listing companies to which they may not be sent. They should include comprehensive career details, not refer to previous correspondence with PA and quote the reference on the envelope.

PA Advertising

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874

PA
A member of PA International

Secretary to Metrogas Building Society

Croydon up to £6493*

The Metrogas Building Society is an independent society registered under the Building Society Act. Originally set up in 1880 by employees of the old South Metropolitan Gas Company, it is now incorporated in the South Eastern Region of the British Gas Corporation. There are approximately 1400 investors, 570 mortgagees and assets are approximately £20 million.

As the Principal Executive Officer of the Society directly responsible to the Board of Directors, the Secretary is jointly accountable to the Chief Registrar of Friendly Societies for management of the Metrogas Building Society affairs.

The successful man or woman will ensure that business is conducted in accordance with the rules and policies of the Society as determined by the Board of Directors, and with a staff of 5, will maintain final accounts, prepare Annual Report and accounts for Audit and publication.

Applicants must have a Secretarial Accounting qualification and desirably Associate Membership of the Building Societies Institute coupled with some 5 years management experience ideally in Building Society practice.

* Salary range from £5515 to £6493 inclusive of Metropolitan Weighting allowance and 1976 and 1977 Salary Supplements.

Please write giving full details of age, qualifications, experience and current salary, quoting reference O 4200 to the Personnel Manager, SEGAS.

SEGAS House, Katharine Street, Croydon CR9 1HU.

SEGAS

NEWLY QUALIFIED A.C.A. EUROPEAN TRAVEL

Our client, a major U.S. Electronics Corporation based in West London, is seeking 2 A.C.A.'s (22-27) to join their international division. There are essential development positions designed to give the successful candidate an in-depth knowledge of company procedures. After a period of approximately 2 years intensive travel throughout Europe conducting investigations, career progression for those selected will be to a middle management role in Europe.

Salary will be negotiable but generous with the convenience and expense of extensive travel with the importance of this position.

For further information please phone in confidence:

Mr. M. Purcell of
CHARLES LOXLEY ASSOCIATES
01-353 9183

SENIOR EXECUTIVES

INTEREXEL's confidential services are solely directed to helping senior executives to secure new appointments.

INTEREXEL provides the most comprehensive and largest career advisory and job searching service for both U.K. and overseas appointments.

INTEREXEL undertakes all the research, maintains all the information and does all the work of the job search. Our professional service secures appointments faster.

THE INTEREXEL REGISTER LIMITED
The World Trade Centre, London E1 9AA
01-488 2400, Ext. 52

If success is your aim then start by joining a successful company

KENZLE COMPUTERS

WE HAVE VACANCIES NOW IN MANCHESTER, NORFOLK, ESSEX, SURREY, SUSSEX, NORTH HAMPSHIRE, NORTH BUCKS, LONDON W-NW-CENTRAL AREAS

Out of 150 applicants the successful 12 persons from our January recruiting campaign started their six weeks Sales training course in April. The second phase of our sales plan demands another 12 men or women for the training scheduled to start on 16th July.

The range of previous occupations of our sales staff include:

Bank Clerks, Accountants, Systems Analysts, Programmers, School Teachers, Ex-Servicemen, Officers, Business Consultants, O & M Officers and sales persons from office equipment or other specialty fields.

Varied as their backgrounds are they all have some common personal qualities — Intelligence, Enthusiasm, Sincerity, the will to succeed and above all that get-up-and-go approach to life which in our opinion, singles out successful people in all walks of life.

The demands of working for Kenzle are high — so are the rewards, putting many of our sales staff into the 70% tax bracket.

If you could work in any of the above areas — why not come and discuss your chances with one of our executives tonight between 5.00 pm and 9.00 pm at any of the following venues:

LONDON Hilton, Park Lane, (Pompeii Room), MANCHESTER The Post House, Pallatine Road, Northenden, NORFOLK Beach Hotel, Marine Parade, NORTHWICH Hotel Nelson, Captain's Cabin, Prince of Wales Rd. If you are unable to attend but would still like to be considered write or telephone: D A Dodd, Sales Director, Kenzle Data Systems, 224 Bath Rd., Slough SL1 4DS tel slough 33355.

KENZLE Computers
NOW 30% FASTER!

CJA**RECRUITMENT CONSULTANTS**
35 New Broad Street, London EC2M 1NH
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374

CITY

ADMINISTRATION MANAGER**£10,000 - £12,500**

AN ESTABLISHED MULTI NATIONAL INVESTMENT BANK

We invite applications from candidates, aged 32-45, who have acquired practical administrative experience in effectively controlling a staff in excess of 20, preferably in a Merchant Bank, financial services or allied field. The successful candidate will report to the Main Board Director and be responsible for the total administration function, involving the administration of the Bank's building, related expenditure, in-house services and equipment, insurance, security, transport and communication etc. Experience in budgeting and cost control is important. Initial salary negotiable, £10,000-£12,500 + non-contributory pension, free family private health scheme, free life assurance, subsidised house mortgage facility at 3%. Applications in strict confidence under reference AM3848/FT, to the Managing Director.

CAMPBELL-JOHNSTON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LIMITED
35 NEW BROAD STREET, LONDON EC2M 1NH - TELEPHONE: 01-588 3588 or 01-588 3576 - TELEX: 887374

Consultant Accountants
up to £9,500

Price Waterhouse Associates require accountants to join the expanding United Kingdom division of their international management consultancy practice. Vacancies exist for appointments based in London, Birmingham, Bristol, Edinburgh, Glasgow, Leeds, Manchester, Newcastle-upon-Tyne and Nottingham.

You would be required to undertake a wide range of assignments both in the United Kingdom and overseas. Much of the overseas work is presently being conducted in developing countries and in this connection substantial overseas allowances are paid.

Consultants work closely with colleagues of other disciplines in developing and implementing solutions to business problems with particular reference to company organisation, corporate planning, profit improvement schemes and the design and installation of management information and control systems.

We are looking for qualified accountants who are resourceful and practical, have the flair and personality to deal with clients at board level and who would enjoy the creative challenge of problem solving in a wide variety of situations. The preferred age range is 28-32 and candidates should offer a minimum of 3 years post qualification experience in industry or commerce. Fluency in French would be an advantage.

Starting salaries will be negotiated up to £9,500 pa according to experience and ability. Training is provided in the techniques of management consultancy and the company's policy is to develop its own supervising consultants and managers. Career prospects are excellent and can lead to salaries in excess of £12,000 pa.

Candidates, male or female, should write for a personal history form, quoting reference MCS/1983 to Ashley S. Phoenix, Executive Selection Division, Southwark Towers, 82 London Bridge Street, London SE1 8SY.

Price Waterhouse Associates**JOB HUNTING?**

OVER £5,000
UNDER £25,000
OVER 27
UNDER 57

If 'yes' to all these, we are 90% certain we can help you get a better job quicker. We are not an agency but Europe's most experienced executive and professional career consultants, so telephone us now for more information about our services.

Percy COUTTS & Co.

01-839 2271

140 Grand Buildings, Trafalgar Square, WC2

BRISTOL WATERWORKS COMPANY**COMPANY SECRETARY c. £11,500**

The Company wishes to appoint a Secretary who will be responsible for the legal, secretarial and administrative matters of the Company and, in addition, will be a member of a small corporate management team.

Applications are invited from Chartered Secretaries of considerable experience who should preferably be qualified solicitors. It is not envisaged that applicants under 35 years of age will have gained the experience necessary for this position.

The starting salary will be negotiable at around £11,500 per annum. A Company car will be provided and resettlement allowances will be payable. Company staff are members of the Water Companies' Association Pension Scheme, which is a contributory scheme.

Bristol Waterworks Company, under an Agency Agreement with the Wessex Water Authority, is responsible for the water supply to 970,000 consumers in an area comprising most of the County of Avon and parts of Somerset, Gloucestershire and Wiltshire. It employs a staff of over 750 and last year its revenue amounted to £13m.

Application forms can be obtained from the General Manager and Engineer and must be returned by 26th May, 1978.

Bristol Waterworks Company
Bridgwater Road, BS99 7AU
Tel: Bristol (0272) 665881

WATER**CITY COMMODITY BROKERS GROUP**

require an Assistant Accountant, preferably with some post qualification professional experience, who seeks to make a career in the City. Computer experience not necessary, but company have ICL 2904 system installed. £5,500-£6,000 according to age and experience.

Replies to Box A6350, Financial Times
10 Cannon Street, EC4P 4BT

PROPERTY BANKING & ADMINISTRATION**Accountant/Banker**

UDT is a major British banking and financial services group and our diverse interests include a substantial property lending portfolio. We now require an additional Loan Executive to join an experienced team of professionals engaged in exacting assignments.

Candidates should be skilled in financial analysis, report writing and viability studies and should have the personal qualities necessary for direct dealing at senior level. They should preferably be fully qualified accountants or bankers. Experience of the UK property scene would be an advantage.

We will offer a fully competitive recruitment salary based on qualifications and experience. Other benefits include non-contributory pension and life assurance and, after qualifying service, staff loan and mortgage subsidy schemes. A Company car will be provided in due course if necessary.

For an application form please write or telephone



Robert Charleston,
Group Personnel Services,
United Dominions Trust Ltd.,
51 Eastcheap, London EC3P 3BU.
Tel: 01-623 3020

PROPERTY INVESTMENT MANAGER

Expanding our activities we now require a well experienced person for the above post at our Head Office near Watford. Ideally the successful applicant, who will be between the approximate ages of 35 and 45, should have been involved in the property investment field at a senior level.

Reporting to the Board, the person appointed will be responsible for the management of our existing property and land resources and will undertake investigations and evaluations and make recommendations regarding future acquisitions.

A salary, reflecting the importance of the appointment, will be negotiated and other benefits include a company car, and membership of our Contributory Pension Scheme.

Applications, giving full personal and career details and quoting reference FT/101, should be addressed to:

The Managing Director
THOMAS McINERNEY & SONS LTD.
The Green
Croxley Green
Rickmansworth
Herts. WD3 3HN
Tel: Rickmansworth 74422

UNIT TRUST ADMINISTRATION

Unit Trust Management Group in the City, E.C.3, requires an Assistant Accountant to be responsible for all aspects of Unit Trust Administration.

Salary up to £7,000 depending upon experience.

Please write to Box No. RD 4535, c/o Exel Recruitment, Pemberton House, East Harding Street, London, E.C.4.

GILT-EDGE MARKET

L. MESSEL & CO.

wish to recruit an actuarial student as an assistant in the Institutional Gilt-edge Department. Experience of the market would be helpful, but is not essential.

After initial training, the successful applicant will advise clients under the direct supervision of an actuary/partner, and will also be involved in the development of technical support.

Apply in confidence to K. W. Wright, Esq., L. Messel & Co., P.O. Box 521, Winchester House, 100 Old Broad Street, London EC2P 2HX.

Group Company Secretary

This appointment is with a medium size Public Company engaged in contracting activities. There is an annual turnover of c. £40m with subsidiary companies in the UK and overseas.

Reporting to the Chief Executive, the Group Secretary will form part of the Management team. The Secretary's department provides a broad professional service to the Group, its subsidiary company Boards and the operating divisions. This involves work on corporate secretarial, Stock Exchange and related matters; the provision of a wide range of legal advice and responsibility for both Personnel and Insurance Services. There is some bias towards matters associated with contract law and conditions of sale.

Applicants within the age range 35/45 could be either Chartered Secretaries with a legal qualification or qualified as lawyers with previous experience as Secretary of a Public Company. A mature, businesslike approach and a thorough understanding of company administration is essential.

A five figure salary will be offered plus a car, an attractive pension and other benefits. The position is located in a pleasant rural situation to the West of London and re-location expenses will be available.

Please write in the strictest confidence, briefly in the first instance, to P.J.G. Rolandi, Managing Director, (ref 825).

Beckwell Selection International

BECKWELL CONSULTANCY SERVICES LTD.
Management & Selection Consultants
80-81 BAKER STREET, LONDON W1P 1LP.
Telephone: 01-623 1234 (4 lines) Telex: 845 500
Telex: 845 500

ASSOCIATED WITH COMPANIES WORKING WORLDWIDE

Deputy Finance Officer

The Confederation of British Industry has decided to strengthen its Head Office Finance and Accounts team by the appointment of a Deputy Finance Officer.

The successful candidate, male or female, will be required to prepare annual budgets; attend meetings of the Finance and General Purposes Committee; advise management on scope for increasing non-subscription income and develop the system of management accounts to monitor performance against budgets. He or she will also be required to work on proposals for developing and improving the pension scheme.

Applicants, in age range 28-45, should possess an accounting or secretarial qualification and have had relevant experience. Experience of computerised systems would be an advantage.



Salary will be around £8000 according to qualifications and experience with prospects of promotion.

Please write for application forms to R F Eberle, at CBI, 21 Tothill Street, London, SW1H 9LP. Telephone 01-830 6711.

Charles Barker Confidential Reply Service**Gulf Merchant Banker**

A major International Banking Group is seeking a young Merchant Banker for its Gulf based Merchant Bank. Applicants should be Chartered Accountants with at least two years Merchant Banking experience preferably in medium term lending. They should be between 25-28 years and prepared to live and travel in the Middle East.

Please reply with full C.V. to the Security Manager, quoting reference 1469.

Jonathan Wren - Banking Appointments

The personnel consultancy dealing exclusively with the banking profession

CREDIT ANALYSTS £5,500 - £8,000

Candidates with good Credit Analysis experience are invited to contact us with regard to a number of vacancies we are currently handling for International Banks and Accepting Houses. Candidates should have a minimum of 2 years analysis experience in a similar environment and formal credit training would be an asset.

These vacancies offer excellent promotional prospects to candidates with potential and good fringe benefits will form part of attractive remuneration packages.

Contact: David Grove

170 Bishopsgate London EC2M 4LX 01-6231266 7 8 9

Foreign Exchange Dealers**Merchant Banking**

A member of the Accepting Houses Committee is seeking to engage a dealer with approximately 5 years' experience in foreign exchange and a sound knowledge of deposit dealing.

The position will provide opportunity to participate broadly in the business of one of the most internationally active of London's merchant banks, particularly in the provision of specialist advice to commercial clients.

Candidates should ideally be in their mid 20's. An attractive salary would be supplemented by the usual benefits and there are excellent prospects for advancement.

There is also a vacancy for a more junior candidate with dealing experience of 2 to 3 years.

Please telephone (01-629 1844 at any time) or write, in the first instance - in confidence - to J. M. Ward ref. B.7992.

These appointments are open to men and women.

MSL Management Consultants

Management Selection Limited
17 Stratton Street London W1X 6DB

EXPORT DIRECTOR

c. £12,000

New position in growth industry

Following the recent appointment of a new Managing Director to the largest company in a major international Group, we are now looking for his Export Director. Historically, export has been part of the general sales activity, but, with plans for penetrating new markets and setting up overseas manufacturing, it was felt that an additional Director should take responsibility for export sales.

Products are fast-moving consumer goods, brand leaders in a growth sector. Exports, running at around £5m., represent 30% of total turnover. It is intended to lift this to 50% within 3 years.

Candidates will ideally be graduates with blue chip sales and marketing backgrounds. They should be aged in their 30's with the minimum of domestic ties as considerable travel will be involved from the London HQ. Export experience should cover Europe, North America and the Far East. Likely candidates will currently be managing an export team selling at least £3m. in world markets through distributors.

Salary is negotiable around £12,000 with a car and the usual large company benefits. There are particularly good promotion prospects stemming from success in this role.

Candidates should send a detailed career history to the consultant advising on this position, quoting reference G43/FT.

JWT Recruitment Ltd

Executive Recruitment & Selection 01-629 9496
40 Berkeley Square, London W1X 6AD

Berkshire

C&L

c.28,500 + car

FINANCIAL CONTROLLER AND COMPANY SECRETARY

For a small, successful and highly profitable private group with turnover approaching \$5m., employing about 150 people. The main activities are the import, manufacture, export and distribution of engineering based components. The group has a well deserved reputation for the high standard of its products and service and numbers many 'blue chip' names among its customers.

The job is to head up the financial function, act as Company Secretary and in due course become more widely involved in other areas of the business. Accounting procedures are not, nor need to be, unduly sophisticated - a V.R.C. is now replacing keyboard machines - and the post is seen as likely to attract a lively qualified accountant or company secretary with the potential to widen his or her horizons beyond the technical aspects of the job and grow with the company.

Salary negotiable around £8,500, good car. Profit sharing could in due course add significantly to the base salary. For the right person this could be a career appointment with excellent promotion and financial prospects.

Brief but comprehensive details of career and salary to date, which will be treated in confidence, should be sent to:

E. J. Robins, The Executive Selection Division - RP511,
Coopers & Lybrand Associates Ltd., Management Consultants,
Shelley House, Noble Street, London, EC2V 7DQ.

PORTFOLIO MANAGER

City Negotiable Salary

Abbey Life Investment Services wish to appoint a Portfolio Manager to play an important role in the management of the equity portfolios of Abbey Life, Abbey Unit Trusts and the Excess Insurance Group. The emphasis is increasingly world wide.

The responsibilities include the management of a small team of analysts and there is considerable scope for the exercise of personal initiative. We look for a positive contribution to investment and portfolio policy and the maturity to handle the subsequent implementation.

The appointment is a senior one. At least four years equity management experience is required, together with a professional university background. The Company offers a progressive and challenging career, with a competitive salary, mortgage subsidy and non-contributory pension scheme and generous staff benefits.

Please write with a full C.V. including current salary to:
Peter Challens, Investment Manager.

Abbey Life Assurance Company Limited,
1-3 St. Pauls Churchyard, London EC4. Tel: 01-236 1555

Finance For Industry Limited
require a

TREASURY ACCOUNTANT

Finance for Industry Limited, owned by the major clearing banks and Bank of England, is a leading provider of development finance to British industry.

We seek an Accountant to run the administration, accounting and dealer back-up services of the Group Treasury and Cash Management Department. This will entail responsibility to the Group Treasurer for recording and processing money market operations, for computerised and manual cash books, bank accounts and for the recording of inter group financing.

We are looking therefore for a BANK TRAINED or QUALIFIED ACCOUNTANT with banking or money market experience, and capable of working under pressure to tight deadlines.

Remuneration will be of interest to those at present earning around £7,000 per annum. Other benefits include an advantageous house loan scheme and non-contributory pension scheme.

Please write to:-

MISS JEAN DAVIDSON
ASSISTANT PERSONNEL MANAGER
FINANCE FOR INDUSTRY LIMITED
91 WATERLOO ROAD, LONDON SE1 8XP.

with details of experience, qualifications and present salary level, which will be treated in strict confidence.

International Financial Economist

A major US investment banking firm seeks an experienced international financial market economist with in-depth knowledge of foreign exchange markets. Applicant must have strong analytical skills and a proven ability to write and speak concisely. Responsibilities include a market report, monitoring and evaluating foreign money, and capital market developments and interfacing with clients and members of the firm. Position affords excellent opportunity in a growing area of a successful firm.

Please send resume and salary requirements to

Box A6435, Financial Times, 10 Cannon Street, London, E.C.4.



Deutsche Bank London Branch

requires for its expanding
business activities a

Corporate Finance Manager

With extensive experience in
lending and related banking-customer
relationships.

Special skills in Eurocurrency
short and medium-term lending,
commodity trade financing and
similar, sophisticated corporate
business would be required.

Age preferably around 35, some
knowledge of German language
helpful but not essential.

Salary and fringe benefits offered
will reflect the importance of this
managerial position.

Please apply in writing giving full
details of career and salary to date
which will be treated in strict
confidence to the General Manager.

Deutsche Bank AG, London Branch
10 Moorgate, London EC2P 2AT
Tel: 01-606 4422

MANAGING DIRECTOR

Process Engineering & Machinery Company
£15,000 +

The successor to the present Managing Director
will have the qualifications, experience and skill
needed to lead this profitable, well established
company from a £10 million turnover to £20 million
turnover in the next five years, improving company
performance so that it is in the top rank for its size
judged from all aspects.

The company is an important subsidiary of a quoted
Group. Success will lead to a seat on the Parent
Company Board in two years and the chance to
become Group Managing Director in about five
years.

We have in mind a starting salary of £15,000 plus
performance-related rewards in 1979, plus car,
pension, relocation payments, etc.

Reply with full curriculum vitae in strict confidence
to Chairman, Box A.6244, Financial Times, 10,
Cannon Street, EC4P 4BY.

CREDIT ANALYSTS

Wells Fargo Limited seeks credit analysts having had
credit experience with a major bank, preferably an
American bank but this is not essential. A good
working knowledge of at least one other European
language is desirable. The salaries will be
commensurate with qualifications and experience.
The positions are based in London; the usual fringe
benefits will be provided.

Please write with full details to the Personnel
Manager, Wells Fargo Limited, Winchester House,
80 London Wall, London EC2M 5ND.

Wells Fargo Limited



ENGINEERING ANALYST

An experienced Analyst is required to expand the
coverage of an established and successful team
in this sector.

The candidate will be expected to develop top
level contact with executives in industry and
produce high quality written work with the
objective of establishing a reputation in his own
field within the sector.

Salary, including benefits, should not be an
obstacle for the right candidate.

Please write or telephone in confidence to:
Bernard Lardner

LAING & CRUICKSHANK

The Stock Exchange
01-588 2800

ZOOLOGICAL SOCIETY OF LONDON

Applications are invited for the post of
FINANCE OFFICER

to the Society, which conducts a range of research and other
scientific and educational activities together with the operation
of London Zoo and Whipsnade Park. The zoos have extensive
activities, including catering and retail companies.

He/She will be responsible for all financial and management
accounting functions and will continue the maintenance of a
sound budgetary control system.

Candidates should have a recognised accountancy qualifica-
tion, senior management experience and an appreciation of
data processing possibilities in accountancy routines.

Salary approximately £9,500 p.a. with generous leave, sick
leave and pension provisions.

Please apply, in writing, as soon as possible and not later
than 19th May, giving personal details and brief career history to
Establishment Officer, Zoological Society of London

Regent's Park, London NW1 4BY

from whom further details of the post may be obtained.

THE ENGLISH ASSOCIATION INVESTMENT TRADING COMPANY LIMITED

require an additional

STERLING DEALER

to augment their present money market activities.
Must be fully experienced in inter-bank deposits, treasury and
commercial bills, certificates of deposit, etc., and have sufficient
contacts to develop the existing business.

Age of the successful candidate envisaged as approx. 25-35 years
and should possess the flair and self-confidence to deal in a highly
competitive market.

Salary and fringe benefits negotiable.

Apply with full curriculum vitae to R. A. Chandler
The English Association Investment Trading Company Limited
4 Fore Street, London EC2Y 5EH

Portsmouth Polytechnic

Applications are invited for the post of

Head of Department/ Professor of Business Studies

This post has become vacant on appointment of the
present Head of Department as Dean of the Regional
Management Centre, Portsmouth. The Appointment will
date from 1st September 1978 or as soon as possible
thereafter.

Salary according to Barnham Scale for Head of
Department Grade VI £9,345 to £10,305 per annum.
Further particulars and application forms may be obtained
from the Staff Officer, Portsmouth Polytechnic,
Alexandra House, Museum Road, Portsmouth, PO1 2QQ,
to completed applications should be returned by
24th May 1978. Please quote ref: C61.

STOCKBROKERS

We require an Investment Analyst with knowledge
of all sectors of the market but in particular
engineering shares. This position will probably
suit a person in the age group 25-30.

Salary negotiable plus usual fringe benefits. Write
Box A.6348, Financial Times, 10, Cannon Street,
EC4P 4BY.

VP Administration Banking-Bahrain

for this fast growing international bank, owned by the seven
Arab states in the Gulf. Responsibilities will include credit
administration, information and communications systems,
manpower planning and operations. Additionally he will co-
ordinate the annual operating plan and liaise with lawyers,
auditors and advertising/PR agencies.

Candidates, aged 35 to 45, must be graduates with at least 10
years' relevant management experience in international bank-
ing. They must be sound administrators with well-developed
human relations skills. Salary is negotiable up to \$50,000 tax
free, plus free furnished accommodation and other benefits.
Long term career prospects are good.

Please write with brief details - in confidence - to I. R. Lloyd.
Ref. B.1071/1.

MSL Management Consultants

Management Selection Limited
17 Stratton Street London W1X 6DB

Marketing Director

MFI Furniture Centres

MFI is one of the fastest growing retailers in the country selling domestic,
mostly home-assembled, furniture through a rapidly growing network of
nearly 60 retail stores.

The Marketing Director will join the top management team at the Wembley
headquarters and can expect election to the main board within a year.
Responsibility will be for the creation, development and control of a promo-
tional advertising budget of over £3m. and for market planning and fore-
casting, and market research.

The preferred age range is 30 to 40. A successful record of marketing and
advertising management in the retailing of fast-moving consumer goods is
essential, together with the numerate intelligence and aggressive enthusiasm
necessary to fit into a young and successful management team.

Salary - negotiable - and profit share will total around £20,000 with appro-
priate car, pension and other benefits.

Please write in strict confidence to W. A. Griffith ref. B.25507.

This appointment is open to men and women.

MSL Management Consultants

Management Selection Limited
17 Stratton Street London W1X 6DB

AMERICAN BANK IN LONDON

seeks

TRAINEE CREDIT ANALYST

to join a team of analysts who provide the support
for our international lending area in our London
Branch. Candidates should be between 22 and 28,
with a degree or other higher educational
qualifications in accountancy, economics or closely
related subjects. Experience in credit analysis
could be advantageous, but is not absolutely
necessary for this position.

Salary negotiable and fringe benefits associated
with banking employment.

If you are interested in this opportunity, please
address your written application, giving details
of your qualifications and/or experience, to:

Miss G. Beck,

FIRST NATIONAL BANK IN DALLAS,
60 Aldermanbury, London EC2V 7JT.

**EXPANDING FINANCIAL
CONSULTING COMPANY**
Opportunity exists for a BSc. Mining
Engineer to join a team of hard-
working Financial Consultants. The
successful candidate will meet the
following requirements: BSc. Mining
Engineering Degree with particular
knowledge of the Gold Mining indus-
try. Several years experience in finan-
cial research of mining companies.
Consistently good mining figures and
institutions would be an advantage.
Compensation salary £6,500 p.a.
Curriculum Vitae with reply to
Box A6347, Financial Times
10 Cannon Street, EC4P 4BY

FIRST CLASS OPPORTUNITIES
available to qualified student and
experienced accounting personnel
Contact Alec Moore on 01-628 2601

DRAKE ACCOUNTING
10 Cannon Street, London EC4P 4BY



Deutsche Bank London Branch

requires for its active and
expanding dealing operations a
dynamic

Foreign Exchange Dealer and an experienced

Deposit Dealer

aged preferably 25-28 years
with a minimum of four years
of active dealing experience.

The deposit dealer should have a
knowledge of CD dealing.

Salary and benefits will be
commensurate with the successful
candidate's experience and the
responsibilities of the position.

Please apply in writing giving full
details of career and salary to
date which will be treated in
confidence to:

Deutsche Bank AG, London Branch
10 Moorgate, London EC2P 2AT
Tel: 01-606 4422



Deutsche Bank London Branch

requires for its active and
expanding international bond
operations a

Junior Bond Dealer

Applicants should be in their
20s and have had some experience
in dealing in Eurocurrency bonds
together with the technical
aspects of the market.

Salary and benefits will be
commensurate with the successful
candidate's experience.

Please apply in writing giving
full details of career and salary
to date which will be treated in
confidence to:

Deutsche Bank AG, London Branch
10 Moorgate, London EC2P 2AT
Tel: 01-606 4422

هكذا من الأمل

Avco: The First Quarter.

Net earnings increased by 33% over the first quarter of last year.

AVCO CORPORATION	Three months ending February 28	
	1978	1977
(Thousands of dollars)		
REVENUES Financial services	\$223,459	\$190,981
Products and research	142,695	129,029
Recreation and land development	26,221	18,762
	<u>\$392,375</u>	<u>\$338,772</u>
EARNINGS FROM CONTINUING OPERATIONS	\$ 28,067	\$ 20,784
EXTRAORDINARY TAX CREDITS	\$ 1,154	\$ 1,110
NET EARNINGS	<u>\$ 29,221</u>	<u>\$ 21,894</u>
Net earnings per common share, primary	\$2.21	\$1.63
Net earnings per common share, fully diluted	\$1.21	\$.95

AVCO DIVISIONS AND SUBSIDIARIES:

FINANCIAL SERVICES

Avco Financial Services, Inc. • Carte Blanche Corporation • Cantan Travel Bureau, Inc.
• The Paul Revere Companies

PRODUCTS AND RESEARCH

Avco Aerostructures Division • Avco Electronics Division • Avco Everett
Research Laboratory, Inc. • Avco International Services Division • Avco Lycoming
Stratford Division • Avco Lycoming Williamsport Division • Avco Medical Products
Division • Avco New Idea Farm Equipment Division • Avco of Canada, Ltd.
• Avco Specialty Materials Division • Avco Systems Division • Ben-Mont Corporation

MOTION PICTURES AND LAND DEVELOPMENT

Avco Community Developers, Inc. • Avco Embassy Pictures Corp.

Write today for a copy of our annual report.

AVCO
CORPORATION

1275 King Street, Greenwich, CT, USA 06830

Parliamentary privilege: why the Speaker got it right

BY ROBIN MAXWELL-HYSLOP, M.P.

TO THE public at large the subject of parliamentary privilege may appear somewhat esoteric; on occasions, however, it is brought to mind that the perimeter of parliamentary privilege falls outside Parliament itself, and its members. To recognise this perimeter requires an historical perspective of the origin of parliamentary privilege, since this is more akin to the origin of common law than it is to statute law.

The origin of Parliament itself lies in the King's court, in which a number of functions were intermingled: new legislation, declaration of existing law, consultation as to precedent and custom from time out of mind, the granting of petitions, and the settlement of disputes. To these were sometimes added the punishment of individuals. This list is not exhaustive, but it serves to indicate the diversity of function performed at court, nominally or actually within the royal presence.

One is reminded of these origins by the very terms in which the royal assent is still given: to public bills and private bills, by the words (*La Reine*) *le veut*; to a public bill authorising the raising of money by taxation with a different formula, indicating the (once authentic) relief with which the sovereign acknowledged the right of Parliament to withhold supply, namely (*La Reine*) *remercie ses bons sujets, accepte leur benevolence, et ainsi le veut*. Personal bills, however, which were and still are in the nature of a petition for a special act of royal grace become law by an especially appropriate formula for the royal assent: *Soit fait comme il est desire*.

With the passage of time, separate organs developed for the discharge of these and other functions of the King as the fountain of legislation, justice and administration. Various courts (for instance, the High Court and the Court of the Star Chamber) and councils (for instance, the Privy Council) developed, each of which possessed, by reason of the theoretical presence of the sovereign within it, extensions or projections of the royal prerogative. Apart from this origin, these extensions of the royal prerogative were in a greater or lesser degree necessary in order that the body concerned should be able to carry out the task entrusted to it.

In the case of the High Court, committees become an ever more effective organ for bringing the executive under parliamentary control and scrutiny. That is the power to protect witnesses who have given offence to their extra-parliamentary employer in the course of giving evidence to a select committee. In a recent case, one such witness claimed that he had been victimised by the nationalised industry which employed him as a direct consequence, collectively termed

sequence of his giving evidence to the House of Commons.

seated by the Chair. For failing to comply with these and other interdictions, the House may itself punish a Member, even to the extent of expelling him. Treason is no less treasonable because spoken on the floor of the House instead of elsewhere, but the duty of punishing it then falls upon the House of Commons itself rather than upon the law-enforcement bodies outside Parliament. It will be noted that some of these breaches of privilege would not be such if spoken outside the House by anyone: for instance, there is no breach of privilege in a newspaper commenting on proceedings in open session of a committee of the House of Commons before the committee has reported to the House.

Confusion has recently arisen in those who have not distinguished between inability to seek civil damages for defamation in a court of law when defamatory words spoken in Parliament are accurately reported bona fide outside Parliament on the one hand and a quite ill-based supposition that anything said in Parliament can with impunity be repeated outside it. Treasonable speech in Parliament does not lose the character of an indictable offence when quoted outside Parliament on the grounds that the offender inside Parliament is outside the reach of extra-parliamentary prosecution. Words written or spoken outside Parliament which constitute a contempt of court do not and cannot lose that characteristic because they have also been uttered under circumstances in which the House of Commons, rather than a court external to Parliament, has the duty to punish the offender or offenders.

Such qualified privilege as exists as a protection against a successful action for defamation in respect of a full and accurate report outside Parliament of proceedings within Parliament, exists not because of any extension outside Parliament of parliamentary privilege, but by reason of the defences specifically laid down in statute law against an action for defamation, be it libel or slander. Nor, as we have seen, can either House by autoregulation extend the scope or extent of its privilege, even were it minded to do so.

The Speaker's ruling was, therefore, both entirely correct, and entirely predictable.

Robin Maxwell-Hyslop is Conservative MP for the Teign Division of Devon.

6 Words written or spoken outside Parliament which constitute a contempt of court do not lose that characteristic because they have been uttered in the House of Commons

ancient and undoubted rights and privileges, or more closely parliamentary privilege, to the satisfaction of the privileges committee, I do not doubt both that his oppressor would have been punished by the House of Commons for breach of privilege, and that in addition the offence would have had to be expiated (inter alia) by rectifying the injury to the witness.

It is commonly, and wrongly, believed that privilege gives absolute freedom of speech to MPs during official proceedings in the chamber (and, by extension, to committees of the House engaged in formal sittings). But such is far from being the case. Privilege merely enjoins that the freedom of speech, and debates or proceedings in Parliament, ought not to be impeached or questioned in any court or place out of Parliament, in the words of Article Nine of the Bill of Rights, and as such is a statutory declaration.

This does not, however, mean that the House of Commons cannot or does not itself limit the freedom of speech of its Members: it does indeed do just that, by both custom and standing order. A Member may not (among other things) infringe the subjudice rule, refer in debate to the proceedings of a committee of the House which has not yet reported to the House, speak insultingly of the sovereign, a foreign head of state, or the House of Lords, nor may he continue speaking when ordered to resume his

which embarrassed his employer. Had that witness been able to substantiate his claim to the satisfaction of the privileges committee, I do not doubt both that his oppressor would have been punished by the House of Commons for breach of privilege, and that in addition the offence would have had to be expiated (inter alia) by rectifying the injury to the witness.

It is commonly, and wrongly, believed that privilege gives absolute freedom of speech to MPs during official proceedings in the chamber (and, by extension, to committees of the House engaged in formal sittings). But such is far from being the case. Privilege merely enjoins that the freedom of speech, and debates or proceedings in Parliament, ought not to be impeached or questioned in any court or place out of Parliament, in the words of Article Nine of the Bill of Rights, and as such is a statutory declaration.

This does not, however, mean that the House of Commons cannot or does not itself limit the freedom of speech of its Members: it does indeed do just that, by both custom and standing order. A Member may not (among other things) infringe the subjudice rule, refer in debate to the proceedings of a committee of the House which has not yet reported to the House, speak insultingly of the sovereign, a foreign head of state, or the House of Lords, nor may he continue speaking when ordered to resume his

when ordered to resume his



هكذا منة الأمل

Financial Times Thursday May 4 1978

APPOINTMENTS

Taylor Woodrow Group changes

Mr. Frank Gibb is to become chairman and managing director of TAYLOR WOODROW CONSTRUCTION, the principal U.K. contracting subsidiary of the Taylor Woodrow Group, on July 1, following the retirement as chairman of Mr. Tom Freakley, who will also retire as chairman of Taylor Woodrow Construction (Midlands) and of Myton. Mr. Freakley will remain a director of Taylor Woodrow, the parent company, as Board member responsible for these subsidiaries and also for Jonathan James, the plastering specialist company. He will also continue as chairman of Taylor Woodrow Construction (Northern). Mr. Jim Millar will become chairman and managing director of Taylor Woodrow Construction (Midlands), and Mr. Barton Higgs will be chairman and managing director of Myton. In 1973, Mr. A. J. Hill retired from the chairmanship of Taylor Woodrow Construction and was invited to be the first president. While remaining joint deputy chairman of Taylor Woodrow, he now relinquishes the presidency of TWC, and will be succeeded in that office by Mr. Freakley, who has also accepted an invitation from TWC (Midlands) to be its first president.

Mr. A. A. Bottomley has retired as managing director of PETER MACARTHEUR AND COMPANY and Mr. A. M. Bottomley has been appointed managing director in his place. Mr. A. A. Bottomley remains chairman of the company and a director of the holding company, Scottish, English and European Textiles.

Mr. Patrick Fraugh Coen has been appointed managing director of JARDINE JAMBRUNIL INTERNATIONAL and a director of Jardine Matheson Insurance Brokers. Mr. Coen, who was previously a director of Sedgwick Forbes North America, originally joined Price Forbes in 1957.

Mr. Dennis Pritchard has been appointed managing director of BRITISH FURNACES, which recently became part of the Wellman Group. Mr. Pritchard was previously managing director of Wellman Engineering Africa (Pty).

Mr. A. T. Oakes has joined WELLMAN INCANDESCENT as commercial director, and will represent the newly-formed Commercial Division on the company Board.

NORTHERN ENGINEERING INDUSTRIES has announced the appointment of Dr. E. J. Wootton as managing director of NEI (Projects), the company formed recently to bring together and expand the power engineering projects of Reynolds Parsons, formerly carried out by Parolia, and the process engineering project activities of Clarke Chapman. Dr. Wootton was previously commercial director of GEC Turbine Generators.

Professor Ayodele Ogunshybe has been elected chairman of the board of directors of the Rank Xerox subsidiary RANK XEROX (NIGERIA). He succeeds the late Chief Henry Fajendokun. Professor Ogunshybe has served on the Board of the Nigerian company since it was formed in 1974. Elected vice-chairman is Mr. David A. Thompson, who as group director on the Board of Rank Xerox, has responsibility for the company's operations in Africa, the Middle East and Australia. Mr. Geoffrey Thompson continues as managing director, Rank Xerox (Nigeria).

Sir Alex Alexander is to join the Board of UNIGATE as a non-executive director. Sir Alex is chairman of Imperial Foods and a member of the Imperial Group Board.

Mr. Bill Felton who has been made managing director of SONY U.K., was previously sales and distribution director.

Mr. J. O. Skelton, joint managing director of the Wagon Finance Corporation, has been appointed chairman of the FINANCE HOUSES ASSOCIATION. He succeeds Mr. Ronald Barnes, director and chief executive of Lombard North Central, who has completed his two-year term as chairman.

Dr. Peter Mitus, managing director of Swan Hunter Shipbuilders, Wallsend, who has been seconded to the Corporation since July last year, has been appointed managing director, shipbuilding operations at the Newcastle upon Tyne headquarters of BRITISH SHIPBUILDERS. In that post he will also, at present, be responsible for the Corporation's marine engineering activities. Mr. Roy McGahan, at present contract director with Sunderland Shipbuilders, has been made purchasing director, and joins the Corporation later this month. Mr. Benton, now shipbuilding manager at Vosper Thornycroft, Woolston Yard, Southampton, has been appointed shipbuilding operations director. Mr. Benton also joins the Corporation later this month.

Mr. A. J. Perryman has resigned as chief executive of the C.A.T.A. LYN GROUP but remains chairman. Mr. C. J. S. Standen has been appointed Group chief executive. Mr. C. E. Hunter has become managing director of Catalin Ltd. and Mr. R. Nunn, managing director of the subsidiary Wix Corporation (U.K.).

Mr. Gordon Llanne, managing director of Yorkshire Post Newspapers, has been elected president of the NEWSPAPER SOCIETY for 1978-79. He succeeds Mr. Jack Wallwork, managing director of Northcliffe Newspapers Group.

Mr. Alfred Cooper, head of COOPERS MARSHGATE (HOLDINGS) for more than 50 years, has retired from the chairmanship. He continues as president of the Bureau International de la Recuperation, as a Board member of the London and Northern Group and as chairman of United Scrap (Holdings). The new chair-man and chief executive of the Cooper Group is Mr. Robert Cooper, who also becomes a managing director of United Scrap (Holdings). Mr. Stanley Hill replaces Mr. Robert Cooper as managing director of Coopers (Metals) and Mr. Malcolm Wallace and Mr. Charles Eddolls, previously local directors, become directors of that company.

FISONS is to put into operation a new management and organisation structure for its scientific equipment division. Separate units of the U.K. operations will be merged into four main trading groups, namely, laboratory supplies, education, scientific instruments, and international, with trading continuing under the titles of component companies, FSA, Gallenkamp, JISE, Griffin and George, T. Gerrard and Gebruder Haake.

The Divisional Board from June 1 will be: Mr. F. J. Heath (chairman), Mr. D. Sutton (vice chairman), Mr. J. A. Griffith (laboratory supplies), Mr. H. C. Mayer (education), Mr. W. F. Roy (scientific instruments), Mr. W. F. Martin (international), Mr. J. M. C. Hall (production), Mr. C. P. Walsh (business development and computer policy). There will also be three non-executive directors, Mr. J. S. Kerridge, Dr. H. Redwood and Mr. R. D. Thomas.

Mr. T. W. Fraser has been appointed a director and general manager of GLOVER ENGINEERING (HOSSELEY). Mr. W. H. Hiley has become sales director. The company is a member of the Capper-Neill Group.

Mr. Arthur Edwards has been elected president of the BRITISH ASSOCIATION OF REMOVERS. Mr. Bert Broster has been made national chairman of the Institute of the Furniture, Warehousing and Removal Industry.

Mr. Frank Brooks has resigned as managing director of Dorman Diesels and formed his own company, B. BROOKS AND CO.

Mr. Roger H. Banks has been appointed to a newly created post of group financial controller and finance director designate of BRENTNALL BEARD (HOLDINGS).

Mr. C. J. Sage, joint managing director of HEADLAM SIMS AND COGGINS and chairman and managing director of its subsidiary Simlam, has retired. Mr. J. B. Harding has been appointed managing director of Simlam and Mr. R. Elkington becomes sole managing director of Headlam SIMS AND COGGINS.

Mr. Dennis Randolph and Mr. Christopher Lewington, chairman and group managing director respectively of Wilkinson Match, have joined the Board of AUDLENY LUDLOW INDUSTRIES INC. of Pittsburgh, Pa.

Mr. Geoffrey Phoenix and Mr. Roger Scott have been appointed to the Board of VICTORIA WINE COMPANY. Mr. Phoenix becomes estates director, whilst retaining his responsibilities as divisional estate manager to Showers Vine Products and Whiteways, the wines, spirits and soft drinks division of Allied Breweries. Mr. Roger Scott, who becomes commercial director, was previously commercial manager of Victoria Wine Company.

GEC HIGH VOLTAGE SWITCHGEAR. Mr. J. W. Debbie has been appointed finance director, Mr. F. P. Matravets, engineering director, Dr. R. E. Baldwin, commercial director, and Mr. A. W. Toser, contracts director.

Mr. Kevin Wilson has joined the Board of PRATT BURNERD INTERNATIONAL, a subsidiary of F. Pratt Engineering Corporation, as marketing director.

Oxley Printing Group has announced the following appointments in its platemaking division: Mr. A. J. S. Evans, managing director, Mr. R. J. H. Hiley (London) and Layton Sun Group; Mr. B. A. Cook, managing director, Sun Litho and Sunscan; Mr. A. D. Moss, managing director, ACE Engravers.

Mr. V. E. G. Tagliavini will retire from the post of managing director of the N.S.S. GROUP at the end of this year when he will be succeeded by Mr. E. G. Schweitzer. Mr. Tagliavini will then become deputy-chairman of the Group. Mr. Schweitzer, managing director of MARTIN THE NEWSAGENT, has at his own request been released from his contract, having accepted the above post with the N.S.S. Group. He has been succeeded as managing director by Mr. J. B. H. Martin, who also continues as chairman.

Mr. Hugh A. J. Shuttleworth has been appointed to the Board of LUMSDEN BUCKLEY AND HOUSTON as financial director.

Mr. Brian W. Davies, marketing director of Bartol Plastics for the past three years, has been appointed managing director of FORDHAM PLASTICS. He succeeds Mr. V. J. Roberts, a director of Hepworth Plastics and deputy chairman of Bartol Plastics, who now becomes Erdham's deputy chairman following a period as temporary managing director.

Mr. Peter Lund, who has been re-appointed a member of the COVENT GARDEN MARKET AUTHORITY, is director of corporate planning at the National Freight Corporation.

Mr. A. A. S. Bryson, Mr. Robert Chadwick, Dr. E. H. Redman and Mr. D. E. A. Sanders have been admitted to the partnership of DUNCAN C. FRASER AND COMPANY, actuaries.

Mr. Barry E. Clarke, Mr. David Holden and Mr. Ian R. Walker have been appointed directors of WALKER AND ROMER.

Mr. G. E. Wearing has been appointed chairman of BAXTER WOODHOUSE and TAYLOR in succession to Mr. W. F. Taylor, who remains a director.

Employers Tomorrow, you could be asked about the Job Release Scheme.



The Job Release Scheme has been extended until 31 March 1979 and now applies throughout Great Britain.

This Scheme offers men aged 64 and women aged 59 on or before 31 March 1979, the chance to stop work up to a year before reaching statutory pensionable age. Currently, they'll get £26.50 a week tax-free. But from July 1, many married people will be eligible for £35.

The point is, they can't take advantage of the Scheme without your agreement. And if you do agree to allow them to participate, then you must recruit people from the unemployed register to replace them - though not necessarily for the same jobs.

As a result of this Scheme, your employees have the chance to stop work up to a year early, which may give you the chance to do a bit of promoting and you'll be able to take on new staff. Doing that means you're also giving a job to someone who's presently unemployed. Employees who wish to take part in the Job Release Scheme must apply by 31 March 1979. There'll be advertising in the national press to tell them about it.

Leaflets with full details of the Job Release Scheme are available from any Employment Office, Jobcentre or Unemployment Benefit Office, or ring Eileen Tingey on 01-214 6403 or 01-214 6497 for more information.

Job Release Scheme

Department of Employment DE

This lady has just been processed—and she didn't feel a thing.

Gone are the days when all a cash register did was record the amount of cash taken.

Nowadays, in larger stores, the cash register has been superseded by the retail terminal.

As part of a complete data processing system, an NCR retail terminal will do more than ring up the price.

Information can be given on stock levels, together with retail prices and cost prices to show gross margins at a glance.

The system can give an hourly report on customer and cashier activity, checkout by checkout.

It can provide detailed analysis on each product line making it very easy to establish minimum order levels and re-order levels.

It will also enable customers with accounts to pay bills in any store and have their accounts immediately updated. Credit sanctions of course can also be given instantly if necessary.

Small wonder that Army and Navy, Bentalls and International Stores have installed NCR systems.

Especially as we provide excellent field engineer and technical back-up. But, of course, that's exactly what you'd expect of

the largest suppliers of retail terminals in the world.

NCR

NCR Computers. Designed to grow with you.

NCR Limited, 206 Marylebone Road, London, NW1 6LY. Telephone: 01-723 7070.

BUSINESS AND INVESTMENT OPPORTUNITIES

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

ACQUISITION OF INSURANCE BROKERAGE
Small Lloyd's Brokers seek to acquire—Insurance brokerage with well-balanced portfolio—Commission income not less than £30,000—based London or Home Counties preferably—continuity of present management desirable but not essential—Merged with other Lloyd's Broker would be considered. Please send relevant details in strict confidence: Box G.1867, Financial Times, 10, Cannon Street, EC4P 4BY.

PRESTIGE CARS WANTED
To All Company Directors Transport Managers and Private Car Owners
Are you obtaining the best price for your low-mileage prestige motor-car? We urgently require Rolls-Royces, Mercedes, Daimler, Jaguar, Vanden Plas, BMW, Porsche, Ferrari, Maserati, Lamborghini, Jensen, convertible, Rover, Triumph and Volvo cars.
Open 7 days a week
Collection anywhere in U.K. Cash or Bankers' draft available. Telephone us for a firm price or our buyer will call.
ROMAN OF WORKING LTD.
Brookwood (04867) 4567

Finance for Growing Companies

If you are a shareholder in an established and growing company and you, or your company, require between £50,000 and £1,000,000 for any purpose, ring David Wills, Charterhouse Development. Investing in medium size companies as minority shareholders has been our exclusive business for over forty years. We are prepared to invest in both quoted and unquoted companies currently making over £50,000 per annum pre tax profits.

CHARTERHOUSE
Charterhouse Development, 1 Paternoster Row, St. Pauls, London EC4M 7DH. Telephone 01-248 3993.

Securing your business future in Greece

An exceptional round-table at the highest level will be organised at Astir Palace Hotel, Vouliagmeni/Athens on 22 and 23 June 1978. Policymakers from government, business and banking will attend. Participation is restricted to top management level of significant companies. For detailed information contact:

European Management Forum,
CH-1223 Cologny/Geneva.

Phone: Geneva 35 17 80.

Telex 27047.

COMMERCIAL REAL ESTATE INVESTMENTS

in the
WESTERN UNITED STATES
\$2-25 million
Equity requirements \$500,000 to \$5 million

Specific acquisition proposals available, subject to prior sale

Syndication and Property Management services if required

Bank references furnished
Contact

RICHARD J. WOODS

Connaught Hotel, London 01-499 7070

May 4th-May 14th

Public company

with £800,000 cash available wishes to purchase either for cash or shares, or mixture of both, a very strong private company with profit between £250,000 and £1,000,000. It is possible that the owners of the company purchased could become the major shareholders in the public company. No agents will be answered, only principals please. Write Box G.1865, Financial Times, 10, Cannon Street, EC4P 4BY.

INTERNATIONAL TRADING COMPANY

with strong links in Africa, Middle East and South America would welcome contact with manufacturers seeking responsible representation. Write Box G.1882, Financial Times, 10, Cannon Street, EC4P 4BY.

U.S. GROUP

wish to purchase a U.K.
TRADING BUSINESS.
METALS CHEMICALS preferred.
Any size of profitable business considered, but must be capable of expansion internationally.
Write Box G.1863, Financial Times, 10, Cannon Street, EC4P 4BY

HONG KONG, TAIWAN, KOREA, JAPAN

If you require quotations, samples, goods manufacturing to specification, or have any buying enquiries, write for details to:

INTERNATIONAL PRODUCT LOCATION

100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

or Tel. (0532) 444362/503794. Telex: 556407 GILTEX G. Ref. 1PL

USA EXPORT

British trading company operating in the USA is interested in acquiring representation of British companies who desire to trade with or further develop their trade with the USA. Please respond with product details to: JCP TRADING COMPANY, P.O. Box 522, Lenox Hill Station, New York, New York 10021, USA.

QUALITY HOTEL DEVELOPMENT

North of London. Within 1 hour of Heathrow and West End. Owner of 8 acre site with detailed planning permission is seeking finance — £1 million required. Potential investors write Box G1868, Financial Times, 10 Cannon Street, EC4P 4BY.

NORTH AMERICA

British marketing specialists. Offices in USA, Canada and UK. Will show you the most economic way into this lucrative market.

SHERWOOD INTERNATIONAL, St. David's House, Alfred Street, Riddings, Derbyshire

IBM ELECTRIC TYPEWRITERS

Factory reconditioned and guaranteed by IBM. Buy, save up to 40 p.p. Lease 3 years from £1.70 weekly. Rent from £22 per month. Phone: 01-641 2365

CONTRACTORS' PUMPS

Profitable small engineering company, manufacturing contractors pumps, seeks an association with an established industrial marketing and distribution company. Some equity participation in the engineering company could be negotiated. Replies, principals only, to: Box G1869, Financial Times, 10 Cannon Street, EC4P 4BY.

ARABIC

Copywriting, translation and typesetting for advertisements. Point of Sale, Brochures. Contact: David Mearns, Pan-Arab Publications Limited, 01-439 3303

ISLE OF MAN—OFFSHORE TAX SAFEGUARD

Group the opportunities in a low tax area. We specialise in the formation of companies including offshore companies, secretarial services, general agency work, local and general company law. Full details from P. A. Brown, BROWN BROTHERS LIMITED, Victoria House, Prospect Hill, Douglas, Isle of Man. Tel: 0624 25661. Telex: 8241.

LIMITED COMPANIES FORMED BY EXPERTS FOR 7% INCLUSIVE READY MADE 483 COMPANY SEARCHES

EXPRESS 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100.



Our business is merging your business. Successfully.
36 CHESHAM PLACE LONDON SW1. 01-235 4551

CASH & CARRY

£0.75m.—Wines & Spirits—N. London

Last retail subsidiary of major group available end June due to expiry of lease and decision to withdraw from retailing. Very well established and easily relocatable locally with no loss of goodwill. Shows 9% gross and could show 4.5% net.

Offers for goodwill and stock at cost to:
MANAGEMENT CONSULTANTS LTD.
Tel: 01-429 7388

FOR SALE IN SPAIN

Hydro Electric Plant producing 3 million KW per year at below 0.55p per KW. Situated in the city of Gerona (Catalonia). Only 54 km to the French border by highway.

Over 5,000 square metres of industrial land adjacent to plant included in price. Attractive for industries aware that unit cost per KW is essential. Write Box G.1859, Financial Times, 10, Cannon Street, EC4P 4BY.

EXCELLENT INVESTMENT OPPORTUNITY UNITED STATES OF AMERICA

BANKERS, TRUSTEES, INVESTORS AND BROKERS. We offer strong partnership interest in a modern logging-sawmill-number operation with physical assets and inventory worth 25 million U.S. dollars located in the Southern part of USA close to major markets. All operations fully automated and capable of producing all grades of lumber in excess of 100 million board feet annually. Plus exportable profit. Excellent investment opportunity. Investor/buyer should have capability of investing 5 million and/or a marketable financial statement to create bankable "LETTERS OF CREDIT" all in U.S. Complete documentation available. We are principals. Write: Canave Explorations Ltd., Box 210, Chicago Park, Calif. USA 95712 - Tel: (916) 823-5121

PARTNER REQUIRED

Benelux Metal Trading Company with £3m.-£10m. turnover, involved in trading and processing non-ferrous metals and scrap seeks partner in same field. Principals only apply to Box G.1858, Financial Times, 10, Cannon Street, EC4P 4BY.

ENTREPRENEUR

Working partner for importing business. North West based. Enormous opportunity for enthusiastic person. Applicants must have selling flair and established contacts with large overseas companies. Age range 30-45 preferred. Excellent references essential. All genuine replies will be answered. Write in strict confidence, giving phone number for preliminary discussion, to: Box G1864, Financial Times, 10 Cannon Street, EC4P 4BY

MARKETING SERVICES

Established professional company, with 3 UK offices, is interested in talking to companies or individuals in associated fields with a view to expansion. Main areas of interest include industrial marketing, public relations, graphics, multi-media, photography, exhibitions, advertising & promotion. Write Box G1866, Financial Times, 10 Cannon Street, EC4P 4BY

WANTED

Medium sized private company requires full or partial control of companies with manufacturing and packaging facilities for Liquid Detergents, Hair Shampoos, Disinfectants, Liquid Soap, etc. Profitability less important than volume capability. Write Box G.1864, Financial Times, 10, Cannon Street, EC4P 4BY.

THE OWNERS OF TWO PRIME NORTH LONDON OFFICE SITES

with full planning consent and D.L.I. exemption for 9,500 and 8,160 sq. ft. NETT each respectively. Write enquiries from institutions interested in a forward purchase or other suitable arrangements. Write Box G.1874, Financial Times, 10, Cannon Street, EC4P 4BY

TELEX—Why spend £500 a day? Tel: 01-248 3993. Telex: 556407 GILTEX G. Ref. 1PL

Your Office in Tokyo...

Consulting and trading firm under German/American/Japanese management can assist a few more European companies with established or expanding business interests in the Far East.

Staff of 12. Quality inspections to purchaser's standards, supply sourcing, marketing assistance, etc. Experienced since 1965 expertise in electronics including hi-fi equipment, clocks, musical instruments, etc. We can visit you in August or September. Confidential handling of all enquiries assured.

NETWORK INCORPORATED
36 Yokodera, Shinjuku, Tokyo 163
Telex: 232-4263 NETWK J

MARKETING OPPORTUNITY FOR YOUR PRODUCT

Well known company with established U.K. marketing and distribution network is looking for new products to extend its range. Its markets include Plant Companies (hire and sale), D.I.Y. Field, Builders Merchants.

In order to be compatible with the present range, products will need to have distinct user benefits and be of high quality. Enquiries, from principals only please, to Box G.1861, Financial Times, 10, Cannon Street, EC4P 4BY.

TAX HAVEN

INVESTMENT PROPERTY
In Jersey, Channel Islands, producing in excess of £34,000 per annum. Shops and flats in first class order and condition. Rent reviews every three years. Offered at £360,000. For further details:
Phone 0534-25732
or write Mr. J. Aury,
La Fougere, Belvedere Hill, St. Saviour, Jersey, C.I.

FIXED INTEREST COMMERCIAL MORTGAGES FOR OWNER OCCUPIERS OR INVESTORS

Interest rates can only go one way—UP
Take advantage of low cost fixed interest mortgages—NOW
Contact S. A. Parnes or M. C. Green
23, MANCHESTER SQUARE
LONDON W1A 2DD
01-484 1252

DO YOU HAVE INTERNATIONAL COMMERCIAL OR FINANCIAL PROBLEMS, REQUIRING SKILLED AND/OR HIGHLY PERSONAL ATTENTION?

Young Englishman, 35 years of age, professionally trained, experienced in property, banking and commerce, multi-lingual, including Persian, based central Europe, offers personal investment consultancy services, or available to travel throughout the world for either personal or corporate financial assignments, always in strict confidence. Major legal, banking and commercial connections throughout Europe, U.S.A. and Iran. Could be of considerable assistance to persons anticipating emigration or home purchase. Interested parties should reply to:
Box G.1865, Financial Times, 10, Cannon Street, EC4P 4BY
The writer will be prepared to meet prospective clients anywhere in Europe

LACKING EXPORT EXPERTISE?

Are you facing substantial export opportunities through lack of market knowledge and specialist manpower? These essential resources are now available to you at a fraction of in-house cost while boosting your profitability by employing Export Consultants. Specialised practical knowledge of Africa and the Middle East. INTERESTED? Details from Box G1843, Financial Times, 10 Cannon Street, EC4P 4BY

BAUXITE

Up to 1,000,000 tons of Bauxite for delivery on a F.O.B. basis. Full specifications may be obtained by interested buyers from:
THE GENERAL EXPORT & TRADING CO.
Tel: 01-589 4830
Tel: 23312

CREDIT AID LTD.

We specialise in Commercial Credit Collection and Credit Consultancy. If you have any debt problems then contact:
A. B. BADENOCK, ACA
D. W. CLARK, ACA
4 New Bridge Street, London, EC4 1-333 7722

FINANCE

We arrange all types of business finance, including investment mortgages, re-mortgages, bridging facilities, equity finance, corporate development capital, business purchase capital, invoice discounting etc.
Phone or write:
QUAZON FINANCIAL CONSULTANTS
24 Cannon Street, London W1T 7AE
Tel: 01-499 7726

FOR SALE—EXPORT ONLY

250,000 tons Hest 4pc broken, 50,000 tons case sugar 95.4 per 100, 100,000 cases Scotch whisky from £5 per case. Just arrived from Rotterdam 180,000 cases, 10,000 USA whisky cognacs, popular brands, less prices.
Export Drive Limited, 4 Old Bond St., London W1A 3TA - Tel: 01-429 8587
Telex: 262339 Impden G

YOUNG BUSINESS EXECUTIVE

is looking for a Partner/Partner who could either:
1. become involved financially, or
2. provide office space and services in the London area
The company is involved in the production of international shipping containers and the concept to be proposed is a revolutionary new idea within the business. For further details Tel: 01-499 7726

EDUCATIONAL CONSULTANTS

For advice on business, financial and educational aspects of school and educational projects write to: Educational Consultants Ltd., 18, Dorchester Street, London W1T 3PE.

DESIGN AND MANAGEMENT

Let us create a new interior for your office reception, boardroom, shop, restaurant or hotel. We design, plan and manage your project from start to finish. Phone Gordon Lindsay Group, 01-958 5445.

DESPERATELY WANTED £

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

HANDLING

Truck with a fifty foot stretch

A NEW remotely controlled extending lift truck called "Saturn 2" which, its manufacturer claims, provides a versatile and cost-effective alternative to the special loading docks, loader trucks, ramps and lifts, widely used in industry, is being introduced by Saturn Materials Handling of Londonderry, a new subsidiary of the Northern Ireland Development Agency.

Saturn is a hydraulically powered unit which can be fitted to all known types of gas, diesel or electric fork lift truck. It is remotely controlled with a joystick by the lift truck operator from his driving seat.

When positioned with its load in the normal manner, it will extend from the lift truck carriage plate and travel up to 50 feet from the parent vehicle.

It will position and deposit a variety of loads with 160 degrees of manoeuvrability before returning and re-attaching itself for a repeat operation. Saturn also has its own universal carriage plate which enables it to accept a variety of hydraulic and pneumatic fork lift attachments.

The remotely controlled lift truck puts into question the accepted and costly practice of adapting the loading site to suit the fork lift truck. With Saturn it is the lift truck which is actually adapted to the site.

Steel loading lifts, ramps and specially constructed loading docks are not necessary. With the new unit the lift truck carries the load and Saturn elevates it forward, backward or sideways—unaided.

Conventional attachments make the handling of hazardous chemicals a safer business and rolled items such as carpets can be loaded or unloaded in one swift, efficient action.

The unit can be used for rail freight, refrigerated working and, with a power pack, for between decks loading and handling air freight.

The unit weighs 500 kilos and has a capacity of 3,000 kilos which it can carry up a 1-in-10 incline. It has been weight tested to 4,500 kilos.

Saturn is hydraulically powered and controlled via two umbilical hoses which are uncoiled from a self winding reel fitted to the lift truck. It has been tested to 2,500 psi and at extremely low temperatures. Valves fitted are manufactured by Rex Routh, the hydraulic motor is by Rex Routh, and Saco steering actuators are used.

Saturn Materials Handling Company, Springtown Industrial Estate, Londonderry, Northern Ireland. 0504 68038.

COMPUTERS

National's mini move

IN A LAUNCH which represents a complete departure from earlier manufacturing policy, National Semiconductor of the U.S. yesterday announced the development of a microcomputer which can be used to operate like machines from the IBM 370 series of which there are many thousands all over the world.

Hitherto, apart from its successful activities as a major supplier of microcircuits for the calculator, watch and computer industries, National has made a name for itself in the manufacture of large solid-state memory. It is also the builder of central processors sold by Intel of the U.S. to compete with top of the range machines from IBM.

The 400 provides 16 Mbytes of memory and has networking and peripherals control capabilities.

National Semiconductor Computer Product Group (Europe), Sherwood House, 176 Northolt Road, South Harrow HA2 0EB.

COMMUNICATION

Sees change in picture

THERE are many closed circuit television surveillance applications where movement within the observed picture is only likely to occur rather infrequently, usually when trouble is in hand.

Grundig's video controller VC75 can be used in conjunction with a normal closed circuit camera and monitor to produce an alarm condition only when picture content changes beyond a predetermined amount.

It compares the content of the first complete scan of a comparison cycle with each successive scan, that is, at 20 millisecond intervals. The cycle can be repeated at intervals that can be

Hooking-up quickly

THE ENTIRE police telephone network within the Greater London Area is to be revamped with the telephone monitoring and analysis system developed and manufactured by Systems Reliability of Luton.

METALWORKING

Easier to control

CONTROL through a 24-stage Sealstro board is one aspect of a new model Horman Cop 46 auto expansion turret for the production of parts from 45mm diameter bar to 200mm diameter, chucking.

Hydraulic operation is provided for all slides and turret movements which operate on an automatic working cycle.

The 250mm stroke turret has drip feed lubrication from reservoir for the hardened and ground slides. The turret distributor operates automatically a hydraulic turret clamping device and a six-station air-operated control for turret tooling.

Horman Bros. (Machine Tools), Dittons Road, Polegate, Sussex BN26 6NE. 03212 5145.

PERIPHERALS

Miniature data tape recorder

UNVEILED at the 1975 Hannover Messe by Philips was a 400 mm tape recorder for data applications based on the company's Minicassette already widely used in miniature audio recorders and in office computers.

Mini-DCT has a front panel size of only 95 x 85 mm, with an overall depth of 77 mm, yet is able to hold 128K byte of data. The cassette itself measures only 46 x 37 x 7.4 mm, and is loaded with tape which is certified for freedom from drop-out.

Model 210 is a read-only system intended for program loading applications, while the 220 can record and play back and will be used for loading memory backup and data capture work. The units use serial recording and offer a data transfer rate of 6,000 bits/sec.

The company says that compared with its established line of full-sized digital cassette machines, the new products offer an 80 per cent reduction in size, and a similar reduction in cost. But reliability remains high: the irreparable error rate is less than one bit in a billion, mean-time between failures is 5,000, and the mean time to make a repair is under 30 minutes. More from P.O. Box 523, Eindhoven, Holland.

BUILDING

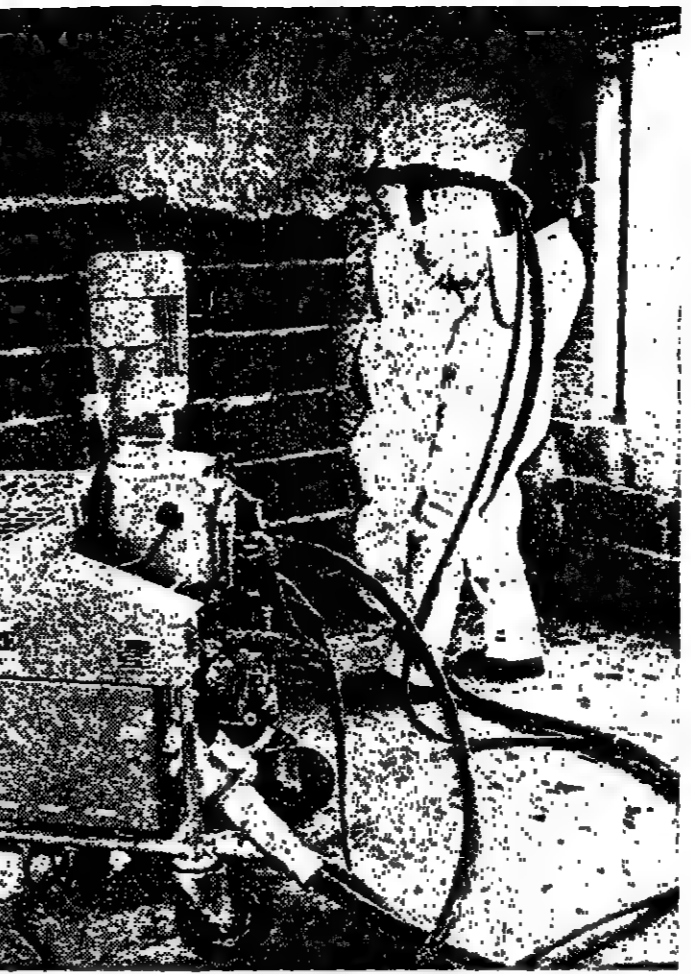
Automatic plastering machine for hire

A FULLY MOBILE projection plastering machine which can be used for both internal plastering and external rendering has reached the U.K. following 11 years of development in Western Germany by Putz-Forwardtechnik GmbH of Iphofen.

One of the biggest assets of the machine called the PFM 4 and shown right is its versatility, says the company, in that it can be used to apply one-coat internal plastering or a sand/cement mix for exterior application. Obvious savings are made in manpower because of the speed with which the machine can undertake application of materials.

The sole U.K. franchise has been negotiated by ME Plant Hire who will demonstrate the machine on its stand next week at the Contractors Mechanical Plant Engineers annual exhibition at Haydock Park Racecourse, May 10-12 inclusive.

More from ME's sales office at Trafford House, Chester Road, Stretford, Manchester.



PROCESSING

Mixes with no moving parts

PULSATING mixing reactor (PMR) now available from Prematech (U.K.), mixes solids, liquids and even gases in any combination. It has no moving parts, requires no power supply, and is as easily installed as normal pipework, the developer says.

Applications for which the PMR is suitable vary widely throughout the chemical, petrochemical, paper, cosmetic, pharmaceutical and food industries. In fact almost any mixing problem can be solved by its use. It is ideal for blending and reacting similar or dissimilar phases, heating and cooling (by mixing materials at different temperatures) and for emulsifying and homogenisation.

Basically a piece of pipework the ends of which can be flanged, welded, or threaded for connection to adjacent pipework, the mixer contains dividing tubes or dividing elements half the diameter of the larger tubes, welded to the inside walls so that the dividing elements cross the bore of the mixer housing.

The second dividing element is welded in this way, but displaced by an angle of 135°, relative to the first divider. This 135° displacement is a feature of the patent which protects the PMR.

A third dividing element displaced 135° to the second dividing element is welded adjacent to this one and so on. This design and the orientation of the dividing elements creates a helical movement with regular division and remixing. As the fluid moves from one dividing element to the next, minor pressure variations are created causing slight pulsations which assist mixing.

The mathematical basis of the principle is quite easily derived and reveals a high efficiency of mixing even after only one series of three dividing elements. Subsequent dividing elements increase this efficiency still further.

The PMR works equally well at high or low flow rates and creates only a small loss of pressure, even with fluids of high viscosity. It is easily installed, has no moving parts and, when used as a heat transfer tube, the heat transfer co-efficient between the material and the pipework is as much as 500 per cent higher than by using a tube with the divider. An improvement caused solely by turbulence.

The mixer can be manufactured in any size greater than about 1 inch diameter with no upper limit. Materials of construction are selected according to the duty intended, models in carbon steel, stainless steel, pte and polypropylene are included in the manufacturing programme as are steel units coated with pte or polypropylene.

A special design, Model D, is available for handling dry solids or pneumatically conveyed fluids which are able to trickle, such as flour, cement and most fine powders. In those designs the dividing tubes are not connected directly to the main pipe but are supported a short distance away from it. This design facilitates mixing and prevents build up of the particles. It is also an advantage when fibrous materials and liquids containing fibres are being processed because it permits easy cleaning by a back flushing technique.

Prematech (U.K.), 73, Rochester Row, London, SW1P 1LQ. 01 834 6013.

MAINTENANCE

Throw-away wipers

A PAPER LAMINATED scrim said to be inert and thus unaffected by solvents and similar solutions which often cause the disintegration of many man-made alternatives, is introduced for cleaning purposes in industrial premises, by Hygiene Tissues.

The 4-ply industrial wiper is capable of absorbing up to seven times its own weight and is available in standard size 13-inch by 16-inch per 5kg box of approximately 460.

Called Plus 7, the wipers are sufficiently inexpensive to be disposable, but they can also be dried and re-used, and are a viable alternative to cleaning rags which can cost up to £300 per ton and apart from their lint level, can often be of unreliable quality and frequently unsuitable for industrial cleaning operations.

Also available is a "crumpled pack" grade of wipers, size 20-inch by 11-inch, with approximately 650 to 700 to the box. Samples from Pakkeal House, Cordwallis Estate, Maidenhead, Berks. (Maidenhead 26381).

Lorry load time cut

FIELD TEST operation lasting close on a year has led the National Coal Board to give its approval to the use of an advanced hopper outlet metering device.

This is the Locker "Electro" discharge gate which can reduce lorry loading times by 75 per cent, and also ensure that the exact amount is loaded on to present vehicles after return to loading areas as many as four times so as to get the correct loads.

The equipment has been designed to load road or rail vehicles very quickly and accurately to within one per cent. The unit tested at the Mining Research Development Establishment incorporated a control panel to compensate for various bulk densities and moisture of product whilst still retaining high accuracy of throughput.

NCB says that the controlled system should incorporate a memory circuit so that the loading sequence could be interrupted for ease and flexibility of site running.

After the interruption it resumes the all and automatically shifts off when the desired weight is reached.

The unit is calibrated for each installation and, needs only occasional checks to make sure calibration is constant.

Approval follows installation of the equipment on a bunker at NCB's site. The bunker handles doubles (50 mm by 25 mm) and singles (25 mm by 12 mm) for discharge into lorries. Approval is limited to the discharge gate's use on graded products.

Further details of the equipment from Locker Industries, PO Box 141, Warrington WA1 2SU. 0925 51212.

Easier drum movement

MECHANICAL drum handling attachments, available for either fork or carriage mounting, are now available through Hiequip. Hydraulic lift truck attachment manufacturer, which is to be sole U.K. distributor of Vert-o-matic drum handlers under an agreement with the manufacturer, Little Giant Products Inc.

Promising ease and speed of fitting to any type of lift truck for handling 25 gallon and 45 gallon capacity drums, the unit is simply clamped on to the forks and with the additional reach, wheels, drums can be loaded or unloaded from one side of a vehicle, an important aspect

AUTOMATION

Furnaces controlled by GEC

STEIN SURFACE, France, has ordered from GEC computer system and programmable logic controllers (PLC) for four reheating furnaces for Companhia Siderurgica Nacional (CSN), Volta Redonda, Brazil as part of a £10m project.

It is believed that this is the first time computers have been used to control this type of furnace. Equipment worth £1m, supplied will be a dual GEC2050 computer using a standard GEC software package for process control and interfaced to the plant via GEC March 4 industrial computer input/output equipment. It will provide direct digital control of over 100 loops of temperatures and pressures of four walking beam furnaces and the associated recuperator equipment.

Communication between the process operator and the control system will be through a single visual display unit and keyboard. This will allow the operator to call up a variety of reports showing a wide range of information covering individual furnaces or sections of plant, discrete control loops, and groups of inputs and outputs.

Although the system will operate automatically under computer control, manual back-up will be provided on critical loops by GEC-Elliott Automation S.A., France, using conventional electronic analogue instrumentation. Each of the four furnaces will be equipped with a PLC which will be programmed by the main contractor's engineers (Stein Surface) to control the critical time sequencing and interlocking functions associated with the furnace operation.

Each PLC has a PROM store of 3000 16-bit words and March 4 input/output modules with a capacity in excess of 250 digital inputs and 150 digital outputs. More from GEC-Elliott Process Automation on 0533 371 331.

INFLATION ACCOUNTING AND FASCIA

60 Top Companies have now installed FASCIA

Although inflation accounting has brought FASCIA to the business world's attention, it is primarily as an accounting workhorse that it has been installed by some 60 major companies—20 of them in the top 100 (The Times' 1000 largest UK companies—1977).

FASCIA—Fixed Asset System for Control Information & Accounting, is a package specifically developed by R.T.Z. Computer Services to cope with all the major aspects of recording and accounting for fixed assets, including the latest accounting guidelines.

Apart from inflation accounting, FASCIA's applications also include:

- Asset Inventory Control
- Capital Project Budgeting
- Plant and Property Register
- Rented Assets Control
- Maintenance Cost Analysis

Established for three years, FASCIA is being called on by more and more companies seeking better accounting control and preparation for the more disciplined forms of accounting coming in the next few years.

For further information please contact R.T.Z. Computer Services Ltd. 103 Jernyn Street, London SW1Y 6EB Telephone (01) 530 4163

electrical wire & cable?

ANXIER NO MINIMUM ORDER NO MINIMUM LENGTH

Thousands of types and sizes in stock for immediate delivery

LONDON 01-561 8118 ABERDEEN (0224) 32355/2

MANCHESTER 1-872-4915

TRANSFER CALL CHARGES GLADLY ACCEPTED

24HR. EMERGENCY NUMBER 01 637 3567 Ext. 409



FASCIA

FOR FIXED ASSET CONTROL



BOOKS

Colonial man

BY C. P. SNOW

Red Gold: The Conquest of the Brazilian Indians by John Hemming. Macmillan. £9.95, 676 pages.

A Shaft of Sunlight by Philip Mason. André Deutsch. £6.50, 240 pages.

A shipload of Portuguese arrived, by accident, on the coast of Brazil in the year 1500. At that time, the total population of Portugal wasn't much more than a million. Their expeditions were led by men like Vasco da Gama, but they were remarkably tough, good seamen, distinctly ferocious, and fond of gold. There were a lot of Indians in what we now call Brazil. They did not inhibit the Portuguese. By the 18th century they were in complete control, and there were many fewer Indians.

It is a classical example of primitive civilisation. The story is very little known in this country, and is now told with expert knowledge by Dr. John Hemming, who is the Director and Secretary of the Royal Geographical Society. Hemming made a reputation with his first book, *The Conquest of the Incas*. The Brazilian Indians were not as interesting as the Incas, but Hemming's historical accuracy and his first-hand knowledge of the physical world of Latin America have produced another book of the same high quality.

At the first impact with people they know nothing of, the impressions of the Portuguese were very like those of the English in the Pacific. They were delighted by the Indians' innocence. They wore no clothes. Shocking, no doubt, but not without attraction, particularly as the coast Indians were unusually good-looking. They washed, which was also unfamiliar to 16th century Europeans. They didn't care about material possessions and happily gave away anything they had. They gave away their women, with the same hospitality. Very nice. The concept of Utopian savages didn't start with Jean-Jacques Rousseau. Here were very noble savages indeed. Also, original sin intruded. The first settlers weren't slow to discover that the Indians, so amiable in manners, had certain weaknesses. They had a predilection for fighting complicated tribal wars. The main purpose of these wars was to take prisoners and, after suitable ceremonies, eat them.

The Portuguese didn't much approve. The priests, and in particular the Jesuits, who rapidly took charge of the colonial mission, didn't approve at all. According to their lights, the Jesuits tried to convert, educate, civilise, and save the Indians from the crudest rapacity of the settlers. The settlers wanted to turn the Indians into slaves. One trouble was that the Indians weren't used to work, and wouldn't do any. Another trouble was that they had no immunity to European diseases and just perished.

Somewhere, as elsewhere in the world, contact with a more organised and aggressive culture seemed to deprive them of the will to live. It is estimated that there were something like 2m. Indians in Brazil when the Portuguese first appeared. To-day there are supposed to be no more than 100,000—though of course, there must be plenty of Brazilians who carry some Indian genes.

It isn't a pretty story. All over the American continent the Indians put up no resistance, physical or moral, to the Europeans. It would be valuable to see an approximate balance-sheet of losses and gains between Britain and India this century. Certainly, and here Indians themselves are the first to say it, men like Philip Mason spent all the energies they possessed in India, got nothing for it, and their abilities were lost to this country.

Mason is inclined to believe that he was typical of British administrators. That would be a flattering view to him, but it is easy to accept that some were, as conscientious as he was, or that quite a few were as efficient. It is impossible to accept, for example, that many were as imaginative or had so fine a spirit. Men like that just don't come very often. Which is a reason for our most responsible. By that time, the English had ceased to make of his.



Mr. and Mrs. Mason looking to the future in the last days of the Raj—one of the illustrations to Philip Mason's new book of memoirs

BOOKS OF THE MONTH

Announcements below are pre-paid advertisements. If you require entry in the forthcoming panels application should be made to the Advertisement Department, Bracken House, 10 Cannon Street, EC4A 3DF. Telephone 01-248 8000, Ext. 7064.

A Dictionary of Common Fallacies
Philip Ward

"One of the most entertaining reference books ever written—Daily Telegraph. Explores the popular errors that have bedevilled the course of intellectual progress from the Dawn of Man to the present day."

The Oleaner Press of Cambridge £6.95

The German Left Since 1945
William D. Graf

A detailed study of the socialist opposition in the Federal Republic of Germany in recent years, with useful pointers to an understanding of capitalism and of political change there.

The Oleaner Press of Cambridge £8.95 Limp £4.50

Commentary on the Finance Bill 1978
Edward E. Ray and David J. Ward

This Commentary, from the Accountants Digest series, provides a useful basis for business and personal financial planning. It will be followed in early September by a Commentary on the Finance Act.

Publication 25th May £3 approx.

World Cars 1978

The "Jane's Fighting Ships" of motor cars with 1,000 superb photographs (some colour) and detailed specifications on the 1,000 latest models from 35 countries. Also includes electric, diesel, petrol, and other world-wide. 440 pages, 9 1/2 x 11 in., handsomely bound. £12.95

An Audit Approach to Computers: A New Practice Manual
Brian Jenkins and Tony Pinkney

A new edition, enlarged, rewritten and revised as regards advanced systems of processing and audit techniques. An indispensable handbook for practising accountants, internal auditors, managers, and others concerned with the use of computer or audit personnel.

The Institute of Chartered Accountants in England and Wales

Due for publication in May £11.95

The Use of Computers and Computer Bureaux in Practising Accountants' Offices

Prepared by the Sheffield and District Society of Chartered Accountants, the booklet describes some 30 applications which may be useful to practising accountants and for which computers are commercially available.

The Institute of Chartered Accountants in England and Wales £2.50

Charities and Voluntary Organisations: Guidance Notes on Financial Planning and Control
Michael Sims FCA AMBIM MInstAM

A series of four booklets on the function, preparation and use of budgets, which together provide a simple guide to financial management, budgeting and accounts for all concerned with the financial affairs of charities and voluntary organisations.

The Institute of Chartered Accountants in England and Wales £2 (the set of 4)

Guide to the 1977 Counter-Inflation Legislation
C. C. Conran FCA

A basic outline in simple form to explain the principles involved.

The Institute of Chartered Accountants in England and Wales £1.95

Textile Terms and Definitions
Seventh Edition

A fully illustrated glossary of textile terminology that is the accepted international authority: 1,608 definitions, 200 illustrations. An essential desk book for all involved with textiles and the textile industry, including the retail trade.

The Textile Institute, Manchester ISBN 0 900739 17 7 £7.00

Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy. International Labour Organisation

The Declaration results from research and extensive consultations with interested parties relating to such issues as employment, vocational training, conditions of work and life, and industrial relations in multinational enterprises.

ISBN 92-2-101896-3 £8.80 International Labour Office

Changes in the structure of employment with economic development
A. S. Oberai

Describes comprehensively the nature and determination of structural employment changes that occur in the course of economic development. Examines implications for a developing economy and suggests avenues for further research.

ISBN 92-2-101924-8 £1.65 International Labour Office

Appropriate technology for employment creation in the food processing and drink industries of developing countries

Discusses appropriate technology for natural food resources in developing countries with a view to generating employment in the provision of sufficient foods to ensure satisfactory levels of nutrition for all.

ISBN 92-2-101890-6 £2.25 International Labour Office

Safe design and use of chain saws
An ILO Code of Practice

In an attempt to decrease occupational forestry injuries and diseases this pioneering work offers guidance for those concerned with design of chain saws and framing provisions for their safe use.

ISBN 92-2-101927-4 £2.35 International Labour Office

Butterworths Budget Tax Tables 1978
Ed. Leslie Livens

These useful tables are now available. They are printed on stiff card and contain the Budget proposals in detail under distinctive headings and provide a convenient and durable form of reference.

Butterworths £12.50 net (U.S.\$22.50)

Gough: Company Charges
William James Gough

The principal aim of this book is to explain the law relating to security of company charges and to provide a practical guide to the law and forms are given.

Butterworths £25.00 net (U.S.\$50.00)

Hayton and Tiley: Capital Transfer Tax
D. J. Hayton and John Tiley

This second edition is substantially a new work. It explains and comments on the law, using worked examples where appropriate. It deals with CTT planning, particularly in relation to settlements and close companies.

Butterworths £14.90 net (U.S.\$30.00)

Rowland's Guide to the Taxes Act and CTT
N. A. Eastaway

A companion volume to Butterworths Orange and Yellow Tax Handbooks. It gives a practical explanation of the detailed legislation in straightforward language, with references to relevant case law, and points out the practical danger areas.

Butterworths £14.90 net (U.S.\$31.00)

A Guide to Sources of Information in the Textile Industry
Second Edition

Worldwide in scope covering all processes and activities that contribute to the manufacture, use, and sale of textiles. Includes textile organisations, activities, type services available, periodicals, directories, books, patents, standards, and sources of statistical data.

The Textile Institute, Manchester ISBN 0 900739 06 1 £4.75

Mind of Biko

BY BRIDGET BLOOM

Biko by Donald Woods. Paddington Press. £5.95, 288 pages.

"What I mean can perhaps be illustrated by the struggle for civil rights by American blacks in the fifties and sixties. They demanded the implementation of the existing constitution. We demand a new constitution. Such a constitution cannot be imposed upon blacks by whites. It must be the result of mutual exchange. It must stipulate the role of all South African citizens, including the white man, after transition. White participation is imperative. An economic upheaval must be avoided."

These are the words of Steve Biko, the young South African black who died in police custody in South Africa last September. Biko was the leader of the black consciousness movement, and such was his influence that a revolution by the South African Government. But as the words indicate, and certainly as Donald Woods portrays him, he was a revolutionary only in the sense that he sought an end to white minority rule and privilege and justice for all South Africans whatever their colour or creed.

Donald Woods, who was editor of one of South Africa's most critical white-owned newspapers until he was banned by the government last October and fled to exile in December, sees Biko as a direct descendant of the earlier black African nationalists—men like Albert Lutuli, Nelson Mandela and Robert Sobhuze. Biko's aim was different; from theirs, though his methods, given the increasing sophistication of apartheid in the last 20 years, were somewhat different.

Prevented from organising a political party to achieve their aims, Biko and his young colleagues (Biko was only 30 when he died) developed the black consciousness movement as an antidote to the conditioning of blacks by the whole apartheid system. It was—and is, for others the still left—an effort to rid blacks of their feelings of social and cultural as well as political inferiority to whites. As Biko conceived it, the movement did not imply racism in reverse—though Woods records that the two men, on their first meeting, had long arguments on this score.

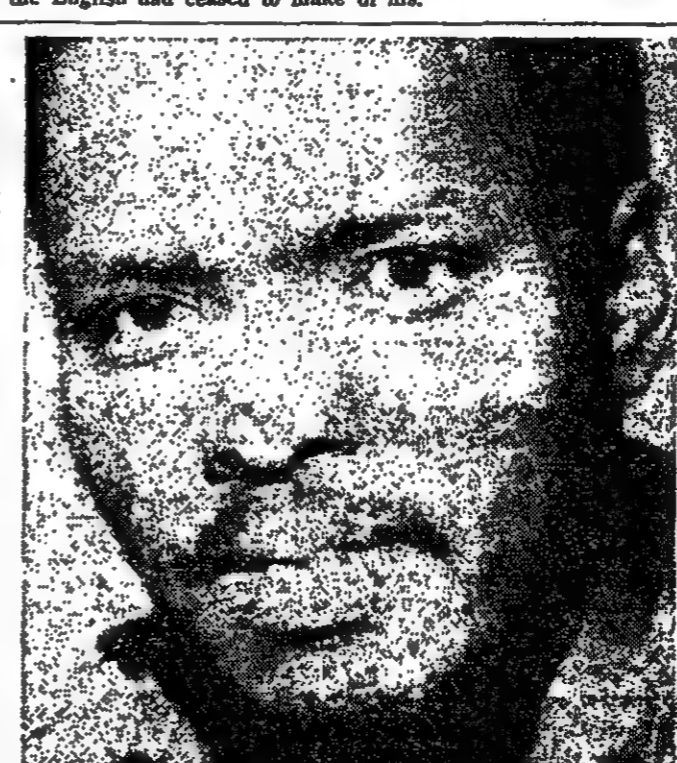
There can be little doubt that the movement is and has been important—though Biko did not condone the violence of the Soweto uprisings of 1976, the students who demonstrated armed in the face of armed South African police showed a spirit quite new in the overall South African scene and despite the clampdown, that spirit, and the young leader who threw up, is far from dead.

It has however now gone underground—something Biko would have understood only too well, for he, and his friend Donald Woods, constantly warned that unless the "unofficial" black leaders (and older imprisoned) black leaders, black protest would quickly become faceless and more dangerous. In this context, Woods sees Biko's death at the hands, he believes, of one of three South African police officers, though really at the hands of the system as a whole as the turning-point "The express train of white racism is now rushing at full speed on a collision course with

the express train of black anger."

Many will disagree with Woods' political conclusions; sanctions, he believes, should be progressively stepped up, for while South Africans have now entered the larger and only the toughest pressure from outside as well as internally, will make them believe this; indeed, only a year ago, he advocated more subtle pressure to end apartheid from within. Biko's death was for him, personally, the turning point.

His book is a moving and often passionate indictment of apartheid. But its most moving aspect lies perhaps in the story of how two decent, intelligent men were able to develop their friendship, despite the forbidding, warring confines of apartheid. They had much in common, not least their sense of humour and of key importance, their deep patriotism. Woods, the older, and more experienced of the two, admired and revered the undoubtedly brilliant younger man. Whether or not Biko had it in him ultimately to lead a new and multi-racial South Africa, as Woods and many others who met him believe, will never be known. But their friendship, and Biko's death, are symbolic at once of the hope and of the tragedy of South Africa.



Steve Biko: justice for all

Evil doctor's diary

BY GEORGE MALCOLM THOMSON

The Goebbels Diary: The Last Days, edited and introduced by Hugo F. Rothemann, London: Warburg. £7.50, 388 pages.

The last days of the Hitler era are rather like the flight of the Gods played by a cast of pygmies. The event is horrific; the characters puny; their thoughts beneath contempt. Even death, which was coming closer, seemed more like a relief than an investment with dignity. Except maybe for Dr. Goebbels.

He was one of the nastiest of them all; sadistic, vindictive, a one-man factory of lies; in one respect more evil than the others because, being literate and intelligent, he had better reason than they to know the wrong he was doing.

On the other hand, a man of courage, who visited the bombed cities which the Demon King himself was frightened to do and who, at the end, shared his master's fate in the bunker in Berlin. In his own way, the Doctor went down fighting.

His diary, which covers two Spring months of 1945, takes us to within three weeks of Hitler's suicide and his own. By that time the very dogs of Hitler were dragging away, but the hatred remained, the fear, the longing to destroy—as if there was not enough being destroyed in the German cities that were burning all around him—the rejection of civilised values, and the devotion to Hitler.

There is a mystery here. For, as Trevor-Roper points out, Hitler had first wanted to drive Hitler out of the Nazi movement as a petty bourgeois. Then he had met Hitler and had succumbed to his hypnotic power. Why? How? One can explain it as the conversion of a clever man by one who was less clever but had an irresistible personality.

But perhaps there was something more. Perhaps the clever man of the two, the one who surrendered, did so because with a flash of insight he discerned that, together, they could accomplish what, separately, was beyond them; that they were the necessary hellish twins of the revolution. For it was through the collaboration of these two, so different, so alike, that the Nazi party came to power, based on trickery, brutality and cynicism.

This diary tells the story when the story is over. The fantasy has vanished, the basic emptiness remains. The reaction of the two to this situation is different: Hitler is unable to face the catastrophe he has created, Goebbels still hopes, thinks, vibrates with energy; Let Goebbels be dismissed and tried by a people's court; let the Führer

make one more speech, summoning the German people to a last outburst of resistance. There will be a miracle like the death of the Emperor Elizabeth which saved Frederick the Great. He draws comfort from Carlyle, from the Second Punic War; from his organisation of the Werewolves.

He reads the enemy newspapers and takes comfort. "Septicism about present war developments is now slowly spreading from the British aristocracy, the church and leading military circles to the middle class."

His remedies grow steadily more remote from reality. While night after night the RAF Mosquitoes are hammering the life out of Berlin, Goebbels in a frenzy proposes that all British pilots on German land should be executed. That might stop the raiding.

But when Vansittart says that the problem of war criminals is simply one of the location of the gallows and the length of the rope, Goebbels comments: "this crazy gangster can still shoot off his mouth in England without anyone more sensible calling him to order." After the diabolical Mosquitoes had wrecked his office in Berlin, he summons his staff to roll-call which produces a revival of morale greater even than he had expected. "The Führer realises

this fully and is now firmly determined to make his speech."

When the war is over, Goebbels will "restore this old Ministry in all its glory." For the present there are more immediate and stern tasks. The moment has come "to shake off the last bourgeois egg-shells. Himmler is proved useless as a military commander. Ribbentrop's diplomacy is without ideas. Goebbels is steeped in self-indulgence; the Luftwaffe is a great rubbish heap of corruption; the Führer's staff weary and fussy-looking. Where can one look for hope in such a crisis? Goebbels has no doubt. He can provide a new leadership; he and he alone—for at last he faces the grimly fact that Hitler is not the man he has been.

In these last weeks Goebbels is as splendid and vulnerable as ever, as full of crazy ideas, as vehement in his denunciation of his colleagues. What an intolerable bore this tireless busybody must have been to the Führer, already half-demented with his misadventures. But soon the Bunker would swallow them both—and the six little Goebbels children whom their father murdered.

This diary should be read. It has a the macabre fascination of a clinical report on the progress of an incurable disease. This is the terminal stage.

In Short—Gilbert at the Savoy Operas

W. S. Gilbert: Stage Director by William Coxiffe, edited by Peter M. Young; foreword by W. A. Darlington. Dolsou. £4.25, 112 pages.

"The principle of subordination must be maintained in a theatre as in a regiment." There speaks the authentic voice of W. S. Gilbert, whose role in the Savoy Operas was that of stage director as well as librettist. In coaching each role with exact prescription of movement, and name of Schwennk mis-spelt time thereafter, he was exerting an authority which was then

almost new in the English theatre. Here his mentor was T. W. Robertson, author of *Castro* (1867), who virtually "invented" the phrase. To inform the reader of this twice in half-a-dozen pages, with the same literal quotation, is unhappily symptomatic of this odd and poorly edited book, left incomplete at the author's death ten years ago and now issued with Gilbert's middle name of Schwennk mis-spelt time thereafter, he was exerting an authority which was then

establish that Gilbert's legacy to the D'Oyly Carte company was no arbitrary assortment of gestures but a treatment of character bound up with the text. In this light, some of the author's criticism of non-D'Oyly Carte versions of the 1960s is acute and still pertinent. But the deeper implications of tradition in the theatre are left unexplored. ARTHUR JACOBS

The Jews by Chaim Bermant. Weidenfeld and Nicolson. £8.95, 278 pages.

Mr. Bermant writes that "Jews have also lost much, if not all,

Minor gentry

BY ISABEL QUIGLY

Blood Relations by Ellis Dillon. Hodder and Stoughton. £4.95, 496 pages.

The Immigrants by Howard Fast. Hodder and Stoughton. £4.95, 389 pages.

Two long novels that are technically similar, both family chronicles, both involving plenty of people in external as well as personal events; but very different from each other in quality.

Blood Relations is set in Galway between 1916 and 1924. The Goulds are minor gentry, Protestants, and isolated, the house falling about their ears. Henry, whose ill-temper killed his wife, though no one knows it but his sister, takes his spleen out on his daughters and the sister who should have been a boy and, when she wasn't, got called Jack just the same. Aunt Jack had a baby years ago when she was a governess near Dublin, though nobody knows but her brother. So, each has a hold on the other and the house is full of secrets, tensions, overlapping loyalties and betrayals. Of the daughters, Molly won't knuckle under; Catherine, needing someone to love, falls for the appalling father who rejects her and determines to win him over. The atmosphere is densely dreadful.

Then Molly becomes engaged to a local boy, briefly approved by her father for being a gentleman, a cut above them in fact, approval quickly withdrawn when he joins the Easter Rising and dies in prison. The story covers the next eight years, the terrors, killings, occasional glories. Henry turns spy and bores Molly, marries, bears children, even grandeur; Catherine diminishes and dies; Aunt Jack at last acknowledges her child.

Over it all is the country occupied; violence, carnage, heroism, comradeship at the most basic levels, the sense of selflessness in a cause, of passionate commitment and of the way such a cause becomes a talisman that shows up the quality of the people involved.

The jacket shows an eloquent painting by Jack Yeats of women waiting outside a prison, with men at tiny windows far away, calling to one another across the great public space. "But seems to sum up the novel's quality of

grandeur and despair. Ellis Dillon seems to me to deal strongly and fairly and passionately with the difficult, often sneeringly described, sense of ancestral memory, the sense of the past weighing on the present, the deprivation of parents, grandparents, ancestors for centuries multiplying the present wrongs, directly affecting the present-day status, the whole life, of their descendants. (Keep people down long enough, and what do they become?) It's an impressive moral, shrewd as well as passionate, good with evil and lovelessness, with detail in close-up (a tired piece of lineation that bears all the rotten family history in its holes and scratches) or with panoramic views of large events.

Few things are harder in fiction than this knitting together of the personal and the public, this way of making the characters individual yet giving them some kind of emblematic meaning, some place in the destiny of what goes on around them as well as their own destinies, loves and sorrows.

The Immigrants doesn't manage it at all. It too spans a time in a place where personal and public life are closely intertwined: San Francisco after the earthquake, through the first world war and up to the public life it might as well be called *Savannah* or the Great Boer Trek (Howard Fast has indeed written 35 books on subjects as varied—*Moses and Spartacus* and *Acropolis* and *Torquemada* and *Tom Paine* and modern times). In this, Dan is the son of Franco-Italian immigrants who climb from a back-ground of near-starvation to unimaginable riches and success, marries the cold beauty from the top local family and lives miserably ever after; all he craves is to go back to where he began as an honest fisherman, and marries the Chinese girl he's always loved. Nothing wrong with the plot (plots are neutral: Anna Karenina's isn't unlike *East Lynne*).

Nothing exactly wrong (medically by definition standing midway between right and wrong) with its stupefying mediocrity, either; in fact, if you survive the stupefaction you may find it warm-hearted, even quite readable, though the plot is so besotted with the printed word, and certainly a lot better than its terrible jacket, might lead you to expect.

U.K. ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output, engineering output, retail sales volume (1970=100); retail sales volume (1970=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

	Ind. prod.	Mfg. output	Eng. output	Retail vol.	Retail value	Unem. played	Unfilled
1977							
1st qtr.	103.2	105.2	109	103.3	216.4	1,330	1,330
2nd qtr.	102.9	105.0	105	102.5	222.0	1,330	1,330
3rd qtr.	102.7	103.7	107	104.3	234.2	1,415	1,415
4th qtr.	102.9	102.9	107	104.4	230.4	1,415	1,415
Oct.	101.7	102.7	107	102.7	232.2	1,433	1,433
Nov.	101.6	102.1	100	103.1	236.3	1,433	1,433
Dec.	102.5	102.7	115	106.9	246.0	1,428	1,428
1978							
Jan.	103.0	103.3	107	104.9	241.0	1,419	1,419
Feb.	103.3	103.5	107	106.8	246.5	1,409	1,409
March	103.3	103.5	107	106.8	246.5	1,409	1,409
April						1,387	1,387

OUTPUT—By market sector: consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacturing, textiles, leather and clothing (1970=100); housing starts (000s, monthly average).

	Consumer goods	Invnt. goods	Intmd. goods	Eng. output	Metal mfg.	Textile etc.	Housing starts
1977							
1st qtr.	115.5	99.4	106.1	100.4	85.9	104.4	109.9
2nd qtr.	113.3	97.3	105.2	99.9	80.5	99.9	25.1
3rd qtr.	113.3	97.3	105.2	99.9	80.5	100.7	25.4
4th qtr.	117.0	97.6	101.1	99.1	74.8	100.0	26.2
Oct.	117.0	98.0	101.0	99.0	75.0	101.1	26.5
Nov.	116.0	97.0	101.0	99.0	70.0	98.0	21.3
Dec.	118.0	98.0	102.0	100.0	79.0	101.0	16.1
1978							
Jan.	116.0	99.0	104.0	100.0	76.0	100.0	129.1
Feb.	115.0	99.0	106.0	100.0	78.0	100.0	129.1

Self-selling at IPC

A financial year just ended showed a 27 per cent growth to £37.3m.—and it has said so. The group's food advertising last year rose by 43 per cent, to £9.4m.—and it has said so. It believes women's magazines have a great deal to offer on the qualitative and value-for-money fronts—and it goes on saying so.

A current example of the skill with which IPC preaches its own particular inter-media message is the spring issue of *Women's*

cial embedded in the data, and it runs like this: top-selling market-brand titles like *Woman*, *Woman's Own* and *Woman's Weekly* as well as up-market titles like *Homes and Gardens* devote considerable space to home freezing as well as recipes, so that manufacturers know their audience is a "sympathetic" environment likely to help them establish distinct and enduring brand identities more effectively than "advertising" certainly is, which was more cost-effectively.

Women's Market also offers a case study of what is described as the regeneration of Tate and Lyle's best-known grocery products—certainly a brand which had been on a downward trend from 1969-70 to 1975-76 but managed to stage a comeback, thanks largely, says product manager Anthony Walker, to a £350,000 advertising campaign, and monthly between February

and September last year.

The result, says Walker, was that 1976-77 sales of Golden Syrup showed a 13 per cent volume increase, the best for seven years, making it a £700,000 brand at RSP. For the current year another £250,000 has been assigned exclusively to women's magazines.

A second case study describes how women's magazines were used by Lyons Teley to create a totally new beverage market—a virtually overnight success (coffee with barley), to add £2.5m to the cheese cake market in a month with its Continental Dessert Cake range, which was launched last April without a word of advertising, and to introduce an innovative chocolate topping called Quick Step, which should acquire the status of a £100,000 brand.

For the ITC knows well, there's nothing like selling your own success. M. T.

market. When it comes to frozen foods, however, the general nonreadable, rather than the open-palette variable, which wonders out loud why it should be that frozen food advertisers, currently spending \$1.5 billion a year, can't find the time should choose to advertise mostly on TV when using TV to reach the ABC/12 housewives most likely to buy frozen foods, "now called the ABC/12s," the group that does to reach them through women's magazines." (The rival GPTs quoted by IPC with appropriate explanation, are 171p for women's magazines, \$319p for TV.)

"TV still more illogically," says IPC, "the heavy TV viewers, at whom most of the advertising for frozen foods seems to be directed, are less likely than the light viewers to buy frozen foods. They are also less likely to own a freezer."

There is, of course, a counter-

argument. The *Women's Market* runs like this: top-selling magazine titles like *Woman*, *Woman's Own* and *Woman's Weekly* are the top three women's titles like *Homes and Gardens* devote considerable space to home freezing as well as recipes, so that manufacturer-know their advertising appears with a sympathetic environment. They are likely to help them establish distinct and enduring brand identities more effectively than before—certainly very much more cost-effectively.

Women's Market also offers a case study of what is described as the regeneration of Tate and Lyle's best-known grocery product, Lyle's Golden Syrup, which had been languishing and trending from 1969-70 to 1975-76 but managed to stage a comeback, thanks largely, says product manager Anthony Walker, to a £250,000 advertising campaign in 1976-77 and months between February

The result, says Walker, was that 1976-77 sales of Golden Syrup showed a 13 per cent increase, the best in seven years, making it a £7.5m brand at RSP. For the current year another £250,000 has been assigned exclusively to women's magazines.

A second case study describes how women's magazines were used by Lyons Teley to create a totally new beverage market for Lyons. The company, which offered a halfpenny, to add £2.50 in the cheeecake market in a month with its Continental Dessert Cake range, which was launched last April without a word of advertising, was rewarded with an innovative chocolate topping, Quick Step, which should now acquire the status of a £1.2m brand.

IPC knows well that there is nothing like selling your own success. M. T.

well over 15m. above the line. They should choose to advertise mostly on TV when using TV to reach the ABC1/C2 housewives most likely to buy frozen foods "now costs 80 per cent. more than it does to reach them through women's magazines." (The rival CPTs quoted by IPC, with appropriate explanation, are 17p for women's magazines, 318p for TV.)

"Still more illogically," says IFC, "the heavy TV viewers, at whom most of the advertising for frozen foods seems to be directed, are less likely than the light viewers to buy frozen foods. They are also less likely to own a freezer."

There is, of course, a commercial

Johnson

two huge gaps in the clothing industry are the fact that Johnson is launching two new products with an initial TV and magazine campaign, starting in mid-July, worth \$380,000. These products are Shout, a soil and stain remover that is sprayed on clothes before they are washed, and Final Touch, an aerosol fabric finish described as an ironing aid.

The company says tests prove that Shout is 20 per cent. more effective at cleaning clothes than washing powder alone. In the

U.S., where the first aerosol pre-wash product was launched nationally in 1970, the market is now worth \$395 million, with Shalco's total brand leader with 32 percent. The second product, **Final Touch**, is aimed at the 18.4 million housewives who iron each week. The ironing aids only \$34 million, currently worth only 13.6m.

● **SATCHEL AND SATCHEL** Garland Compton has added on two new pieces of business, the £460,000 launch for United Biscuits' KP Foods Division's new snack product, **Whizz Wheels**—the launch is thought to be the biggest ever for a new product—and the £600,000 **GUS** Kay's Catalogue business. Latest figures show that in the first quarter of this year Satatch's put on 59.9 percent in MEAL billings for a three-month period, while 22.5m seems to be targeted for a 1978 total of £50m. Next best performers

among the top ten agencies were McCann-Erickson (plus 47.4 percent) and CDP (plus 23.8 percent).

● **J. WALTER THOMPSON** has also added on two new accounts. Cadbury's **Soya Chocice** at Perstorp Waterluis's decorative laminates and bonded products, plus Gasmasol's total for the account is a combined £900,000. Soya Chocice is quitting **Soy** and Rubicam as part of Cadbury agency reshuffle.

● **MATEUS ROSE'S** current Press campaign (for JWT) worth a total £300,000. The aim is partly to encourage proper stocking. **Food For France's** wine budget has been raised from £220,000 to £350,000. And **Tosca**, a British-made whisky, has been re-launched and sent into a £400,000 Southern TV test market.



Total assets
Deposits
Loans, net
Shareholder

March 31	
1978	1977
\$ 4,539,767	\$3,724,133
3,459,412	2,936,518
1,988,521	1,618,697
219,678	199,804


**FIRST CITY
BANCORPORATION
OF TEXAS, INC.**

Total assets
Deposits
Loans, net
Shareholder

March 31	
1978	1977
\$ 6,620,311	\$5,611,122
5,230,003	4,553,882
3,080,487	2,529,644
320,597	287,394

Operating Results

Income before securities transactions	
Per share	.
Net income	
Per share	

**London Branch: J. C. Moriniere,
Senior Vice President and General
Manager, Scottish Union House,
25 Bucklersbury, London EC4N 8DR
Telephone 01-248-3606 • Telex 885535.
Incorporated with limited liability
in the U.S.A. Main office:
Robert C. Howard, Executive V.P.
Houston, Texas 77001, U.S.A.
Telephone 713-658-6672
Telex FIRSTBANK 762429**

Reliance Group, Incorporated and Subsidiaries/Financial Highlights

Year Ended December 31	1977	1976
------------------------	------	------

Revenues	\$1,156,908,000	\$985,534,000
Operating income	\$ 54,617,000	\$ 20,135,000
Net realized gain on insurance investments	4,008,000	10,354,000
Income before extraordinary income	58,625,000	30,489,000
Extraordinary income – utilization of tax loss carryovers	23,667,000	4,867,000
Net income	\$ 82,292,000	\$ 35,356,000

Per-share information:		
Operating income	\$6.17	\$1.75
Net realized gain on insurance investments.....	<u>.52</u>	<u>1.41</u>
Income before extraordinary income	6.69	3.16
Extraordinary income	<u>3.09</u>	<u>.66</u>
Net income	\$9.78	\$3.82
Fully diluted net income	<u>\$6.04</u>	<u>\$3.55</u>
Average number of common and common equivalent shares outstanding	7,679,000	7,362,000

Reliance Group, Incorporated 1977 Operations

INSURANCE			
Revenues:	\$1,006,359,000	Property and Casualty Operations, International	
Divisional Pretax		Pilot Insurance Company, Toronto	
Operating Income:	\$ 91,387,000	Life and Health Operations, U.S.	
Property and Casualty Operations, U.S.		Reliance Standard Life Insurance Company, Philadelphia	
Reliance Insurance Company, Philadelphia		United Pacific Life Insurance Company, Tacoma	
General Casualty Company of Wisconsin, Madison		Title Operations, U.S.	
United Pacific Insurance Company, Tacoma		Commonwealth Land Title Insurance Company, Philadelphia	
LEASING			
Revenues:	\$115,428,000	Computer Leasing Operations, U.S.	
Divisional Pretax		Leasco Capital Equipment Corporation, New York	
Operating Income:	\$ 27,232,000	Computer Leasing Operations, International	
Container Leasing Operations, Worldwide		Leasco Europa Ltd., New York	
CTI—Container Transport International, Inc., New York			
MANAGEMENT SERVICES			
Revenues:	\$32,663,000	Consulting and Software Operations, International	
Divisional Pretax		Inbucon Limited, London	
Operating Income:	\$ 3,297,000	Fuel & Energy Consultants Limited, London	
Consulting Operations, U.S.		Leasco Software Limited, Maidenhead	
Werner Associates, Inc., New York		Moody International, Inc., London	
Yankelovich, Skelly and White, Inc., New York		Werner International, Brussels	

"Last year, 1977, was one of important accomplishments for Reliance Group. We achieved record revenues, operating income after taxes and net income....The outlook is excellent in 1978 for further improvement in operating income after taxes."

Saul P. Steinberg Saul P. Steinberg
Chairman and President
Reliance Group, Incorporated

Reliance Group, Incorporated / 197 Knightsbridge, London S.W. 7, England / 919 Third Avenue, New York, N.Y. 10022 U.S.A.

LOMBARD

Balancing the Budget

BY PETER RIDDELL

THE political manoeuvrings ahead of the committee stage of the Finance Bill are arousing a good deal of sound and fury. While this hardly signifies anything, it does not mean that either the Government or its economic strategy are in imminent danger of collapse. The real significance is longer term.

After all, it is now the second year in which the Government's Budget proposals have faced the threat of significant, if hardly catastrophic, change. This can, of course, be explained away as merely the temporary result of an unusual Parliamentary position. But minority governments no longer look like being quite so rare as was assumed until 1974. The Budget statement and associated estimates can no longer be treated as unalterable, so there is a need for a more serious review of how spending and revenue plans are presented.

This is not to question the fundamental constitutional principle that the Government imposes and changes taxes only by the authority of the Commons—the original source of its power. As Sir Geoffrey Howe pointed out in the second reading debate on the Finance Bill last Thursday, "Parliament not only has the right but it has the duty to scrutinise the Bill, to propose changes in it, and to refuse to approve certain aspects of it." The Government, if it is unable to repeal those changes proposed by the House, then has a duty to respond to what is done.

The question is whether it is realistically possible to make the necessary savings in public spending without severely disrupting programmes. Sir Geoffrey suggested cutting back on expenditure on the local authority purchase of private rented housing, and on selective industrial assistance. But it is open to doubt whether significant savings could be achieved even on these largely financial transactions in view of forward commitments.

The more basic objection to altering public spending programmes, once the financial year is already under way, is that this goes against the whole idea of trying to ensure some stability in public sector planning. There is also the danger that the bulk of any cuts would, as usual, be on capital expenditure, only accentuating the existing fluctuations.

Revision

The real answer is for the Government to present its revenue and expenditure plans for detailed consideration by Parliament at a stage when they can be revised without undermining sensible management of programmes. This would allow for a more detailed scrutiny of the balance between additional spending or tax cuts—or, as John Pardon has suggested, between direct and indirect taxes.

This idea would involve the presentation of a full-scale medium-term Budget with revenue and expenditure plans alongside each other, rather than merely illustrative revenue projections as in last January's spending White Paper.

The proper time for this would probably be two or three months before the start of the financial year in order to allow time for detailed scrutiny of spending proposals. This would be better than the blanket approval given at the time of the Budget. Similarly, revenue proposals could be considered to allow sufficient time for changes to be implemented without producing the cost and inconvenience experienced last summer.

Such a change does not mean that fiscal policy should be reviewed only once a year. But it does mean that the necessary annual stock-taking should be undertaken at the right time for the Commons to exercise effective authority rather than just snipping at the fringes, as now.

Proposals

This is not a matter for debate, but what is open to discussion is how this constitutional authority can be most sensibly applied at present. Sir Geoffrey argued that the Conservative proposals for cutting taxes, principally 1p off the standard rate and relief at the top end of the scale, would only amount to 4 per cent. of planned public spending in 1978-79, or around £500m. He believed such savings could be achieved even though the financial year is already a month old the plans are not irreversible.

It is certainly true that the Tory proposals amount to only about an eighth of the error in last year's original borrowing requirement projection. But undershooting on this scale cannot be assumed this year and the existing borrowing estimate is anyway widely regarded by the market as slightly too high for safety.

TV Radio

† Indicates programme in black and white.

BBC 1

6.40 a.m. Open University. 9.41 For Schools. Colleges. 12.15 p.m. The Move. 1.25 News. 1.40 Pepple Mill. 1.45 Chisley. 2.00 You and Me. 2.30 For Schools. 3.30 Regional News. 4.30 The Mole and the Lollipop. 4.30 Heads and Tails. 4.40 Luffa-Lympix. 5.00 John Craven's Newsround. 5.05 Blue Peter. 5.35

Magic Roundabout. 5.40 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.5

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3BY

Telegrams: Finantime, London PS4. Telex: 883341/2, 883897

Telephone: 01-248 8000

Thursday May 4 1978

Cushioning the fall

LAST MONTH'S very sharp fall of \$3.28bn. in the U.K. official reserves may come as a surprise to anyone who had not noticed that the large and embarrassing inflow of hot money came to an end in the autumn and began to reverse itself in March. The figure, in fact, is very much what the market expected. It is made up of two separate components. The first is a further and substantial advance repayment of foreign debt by the public sector. This is part of a continuing and deliberate policy (another advance repayment of \$1bn. to the International Monetary Fund was announced in the Budget speech) of simultaneously evening out the foreign debt repayments which fall due over the next few years and replacing part of them with longer-term credit.

The greater part of the fall, however, a net loss of £2.11bn. represents the cost of intervention in the markets to prevent too steep a fall in the sterling exchange rate, especially at the beginning and end of the period in question. The Government was persuaded to let the exchange rate move upwards at the end of last year, when intervention to hold it steady was attracting large sums of money from abroad and making it difficult to control the growth of the domestic money supply. This decision, rightly taken in the face of those who argued that it would weaken the competitiveness of U.K. exports, demonstrated the Chancellor's readiness to admit that monetary control was of importance.

'Primarily'

The Financial Statement issued at the time of the Budget accordingly included among the assumptions on which its economic forecast was based that "the exchange rate is taken as determined primarily by market forces." If it should be allowed to rise when money is pouring in across the exchanges, that is, it should be allowed to fall when some of the money begins to pour out again. But the word "primarily" is of some practical importance, for government which simply allowed its currency to respond to the full

Competition in retreat

ONE OF the objectives of the Treaty of Rome was to promote competition within a tariff-free European Community. Substantial powers were given to the Commission under Articles 85 and 86. While there are still too many non-tariff barriers within the EEC, those powers have, on the whole, been used effectively. A further stimulus to competition has been the EEC's generally liberal approach, as far as industrial products are concerned, towards imports from third countries.

There is now a serious danger that, because of recession and high unemployment, these principles will be undermined. A powerful warning to this effect was delivered in Brussels this week by Count Otto Lambdoff, the West German Economics Minister. Quite apart from the specific proposal to control imports of shoes, to which Count Lambdoff was objecting, there are growing indications that the requirements of industrial policy, which may involve intervention by state or EEC authorities to improve the structure of an industry and promote its competitiveness, are taking precedence over competition policy.

Suspended

This is a familiar conflict in Britain, where, for example, the Department of Industry has been willing to overlook the anti-competitive impact of those mergers which appear to be consistent with its so-called industrial strategy. At the EEC level there is a strongly held view within the Commission that an active programme must be devised to help European industry adapt to the competitive danger posed by Japan and the developing countries. In addition, it is felt that in certain capital-intensive industries the pressure on prices and profits has become so intense as to threaten long-term damage to Europe's industrial base; hence the normal rules of competition should be suspended until more orderly trading conditions are restored.

The latest example of this is the proposed synthetic fibre cartel, worked out under the auspices of the Commission's industrial directorate and designed to bring about a co-ordinated reduction of capacity by the main producers. It is not clear how this agreement will satisfy the tightly worded conditions for exemption set out in Article 85/3; among other

force of market pressures when these were making for a lower exchange rate would invite the suspicion—as the U.S. Administration did last year—that it actually wanted a lower rate for the sake of helping its trade balance. This suspicion would itself greatly increase the downward pressure.

The current aim of the U.K. authorities is not to set a specific exchange rate target to be achieved through market intervention, but to have a broad range in mind. This may be adjusted from time to time to take account of changes in competitiveness—of movements in U.K. earnings, that is, compared with those in our main competitors. At any particular moment, however, the authorities will be ready to intervene to ensure that the rate does not slip outside the range they have in mind for the time being. The size of their intervention in April suggests that they believe the present exchange rate of sterling against the leading currencies in general to be roughly what it should be.

Interest rates

It is currencies in general rather than the U.S. dollar alone which matter in this context, since any single currency is liable to move up or down for reasons of its own. At present the dollar is recovering, and one of the reasons for this is undoubtedly the hardening of short-term interest rates there and the consequent feeling that the problems of inflation and of the trade deficit are now being taken more seriously. The rise in U.S. interest rates may have some slight effect on the movement of hot money but is unlikely to influence directly the monetary policy of the U.K.; the reserves, after all, still stand at over \$17bn. It may nevertheless have an indirect influence. The financial markets here are expecting another rise in short-term rates fairly soon, on the grounds that without it the authorities will not be able to sell enough stock to meet their monetary targets. The rise in U.S. rates is likely to increase this expectation and that in turn to make the rise more probable.

things, a cartel can only be exempt from the competition rules if consumers share in the benefits arising from it. The fibres industry is not like steel, where there are provisions under the ECSC treaty for the Commission to fix prices and control imports in the event of a crisis in the industry. But if the fibres agreement is approved, as the producers confidently expect, it will encourage other industries, also suffering from structural problems, to apply for a similar exemption.

There is such a thing as destructive price competition: it is possible for trading conditions in an industry to become so chaotic as to justify, in the interests of consumers as well as producers, a temporary suspension of competition. Count Lambdoff apparently accepts the need for action in fibres and steel, where, as it happens, German companies have been among the strongest advocates of EEC intervention. An added complication, in these and other sectors, is the presence of state-owned or state-supported enterprises; they may be more willing to agree to a cut in capacity as part of a Government-backed international agreement than in response to commercial pressures. Thus, of course, is part of a wider international problem, stemming from the large number of enterprises—in the developing world, and in parts of Europe—whose export pricing behaviour cannot possibly be described as commercial.

Adaptation

Yet it does not follow that the EEC's response should be to curb internal competition. The risk is that the number of industries demanding special treatment will grow, that temporary anti-crisis measures will become more and more temporary and that the Commission's intervention will slow down the necessary process of adaptation. Perhaps it will be good for consumers and for the economy if over the next few years some of the large European manufacturers of commodity-type products lose market share both to third-country suppliers and to smaller EEC companies, but this is not something that can be planned and supervised by Government or the Commission. Competition is by its nature disorderly, but it remains the best industrial policy.



THE Soviet state and Communist Party leader, Mr. Leonid Brezhnev, today begins his first visit to West Germany since 1973 and his first to any Western country for nearly a year. His talks with Chancellor Helmut Schmidt are bound to be of high importance, not only for Bonn-Moscow ties but for East-West relations as a whole. Yet much West German comment on the visit over the past few weeks has been marked by caution and some scepticism.

This was probably inevitable. Mr. Brezhnev's previous visit here marked the high point of the Ostpolitik of the then-Chancellor, Herr Willy Brandt. A jovial Mr. Brezhnev linked arms with Herr Brandt and spoke temptingly of chances for fast economic co-operation spanning decades. It would have been a miracle had even those highly ambitious schemes mooted for the relatively near future, all gone ahead without trouble. There have been deals of great value to both sides—but there has been no miracle. Meanwhile, Herr Brandt has been replaced by Herr Schmidt and the new Chancellor's more pragmatic style has coincided with a general awareness that progress economically and politically with the Russians means grinding one's teeth and preparing for a very long haul.

There is a further reason at present for additional West German caution. The strength of Bonn's relations with the United States has recently come under test on issues including the neutron weapon, the fall in the dollar and the new American non-proliferation Act. The West Germans would be surprised if Mr. Brezhnev did not probe to see how deep the differences really are between the two strongest members of the Western alliance. That is one reason why, in advance of Mr. Brezhnev's arrival, Herr Schmidt has been publicly stressing the indelible nature of the Bonn-Washington relationship, whatever the passing problems. There has also been a flood of high German officials and parliamentarians visiting Washington in an effort to close the communications gap between the two sides. The Germans may have doubts about the policy course of President Carter, but they know perfectly well that without the backing of the U.S. there can be no fruitful bargaining with Mr. Brezhnev, no effective Ostpolitik and no security.

The most important single theme in the talks between Herr Schmidt and Mr. Brezhnev will be disarmament, not least because of the timing of the visit. The Americans and Russians are clearly close to a second agreement in the Strategic Arms Limitation Talks (SALT).

MEN AND MATTERS

Troglodytes under fire

The debate about ways to save our art treasures will intensify with the publication to-day of the 75th anniversary report of the National Art Collections Fund. Its chairman, Brinsley Ford, renews in print his attack on the "short-sighted troglodytes of the Treasury" for their attitudes towards money for art. Ford brands some of their arguments as "pseudo-technical and Jesuitical".

The sorest point with Ford and his committee at the NACF (whose patron is the Queen) has long been the Land Fund, set up by Hugh Dalton in 1946 to finance "acceptance of property in the fund contained £60m. but what Ford calls the "predicament" of the Treasury Government of the time siphoned off £50m. Enoch Powell was then Financial Secretary to the Treasury. A parliamentary select committee is due to report next month on what is to be done with the Land Fund, now up to more than £18m. again. The NACF hopes it will advocate removing this money from Treasury control and putting it in the hands of an independent body. There are even suggestions that the Government should be told to give back the £50m. (plus interest) that was abstracted 21 years ago.

When I spoke to Ford yesterday he complained not merely of the "unrelenting machinations of the Treasury," but also the threat of the Wealth Tax to Britain's cultural heritage. He said: "I am not confident that this threat has been removed." Some members of the NACF, which relies largely on members' subscriptions to help museums buy threatened works of art, are also less than enthusiastic about the performance of Lord Donaldson, Minister of the Arts. Art historian Denis Mahon, a former National Gallery trustee, charges Donaldson with "irresponsibility" in his handling of England's £12m. share of the contingency fund set up last October. This was distributed to the country's museums, instead of being kept in a central pool—as was done in Scotland.

Mahon claims: "This was a public relations exercise that misfired. Donaldson said he had increased the grants to the individual museums and galleries by 78 per cent. In fact, it has made it far harder, for example, to save two of the four Canaletto sold off by Lord Brooke from Warwick. The Birmingham art gallery has not got enough money and there is no central fund. It has happened because Donaldson ignored the unanimous advice of his professional advisers, the national museum directors."

All in all, Donaldson and the "Treasury troglodytes" are in the firing line this week.

The West has recently produced new proposals which might break the log-jam in the East-West Mutual and Balanced Force Reduction Talks (MBFR). Later this month, the special United Nations General Assembly session on disarmament starts in New York.

The moment thus appears ripe for movement on a series of inter-related disarmament issues—but not necessarily to European advantage. The fear

that while Mr. Brezhnev is the strongest man in the Soviet Union, he is not the only policy-maker there. It also recognises, incidentally, that Mr. Brezhnev, for Soviet internal reasons, some firm result from his West German visit proving the exercise to have been worth while. It is recalled that in 1973 Mr. Brezhnev at one point bluntly stated in Bonn that by no means everyone in the Soviet leadership had been in

Trips abroad by Mr. Brezhnev and his retinue are highly symbolic occasions and second only to a visit to the U.S. symbolism is most striking in the case of West Germany, a former enemy which helped begin the détente process with the Ostpolitik and the Moscow treaty of 1970.

Mr. Brezhnev said yesterday in an interview with the German Socialist newspaper Vorwärts that "The state of rela-

remains, despite attempted reassurances, that in SALT-2 the Americans might make concessions on strategic weaponry, placing the Europeans at a disadvantage against the conventional force superiority of the Warsaw Pact."

Admittedly, Herr Schmidt is not in a position directly to negotiate on these issues with Mr. Brezhnev. SALT is a super-power matter—albeit with implications for the Europeans. The decision on whether eventually to produce the neutron weapon is for President Carter alone—as the West Germans never tire of emphasising. MBFR involves Bonn's other allies, though it is a topic which Herr Schmidt has followed particularly closely and his views have been crucial in formulation of the German position.

Nonetheless, Herr Schmidt can seek to discover what scope for manoeuvre Mr. Brezhnev now feels himself to possess on disarmament—information of vital importance to the whole Western alliance. This scope may well be more than has so far been indicated by other Soviet sources, but less than Mr. Brezhnev himself would desire. The German side recognises

had been built up on him personally during his absence from Rhodesia. Back came the diplomatic reply: "Oh, now you are a minister, sir, the file has been destroyed."

Alpine retreat

Suggest to James Longcroft, Tricentrol's deputy chairman and managing director, that he is the first North Sea tax exile made it far harder, for example, to save two of the four Canaletto sold off by Lord Brooke from Warwick. The Birmingham art gallery has not got enough money and there is no central fund. It has happened because Donaldson ignored the unanimous advice of his professional advisers, the national museum directors."

All in all, Donaldson and the "Treasury troglodytes" are in the firing line this week.

Back in court

The man whose dismissal last Friday rocked the Rhodesian interim government was yesterday preparing to appear for the defence in a conspiracy case in Knightsbridge Crown court. Barrister Byron Hove, erstwhile co-minister of Justice, Law and Order in Salisbury, is back in London, at his king's bench. Walk chambers. As followers of this column will recall, Hove last September issued an "indictment" of Rhodesia's white politicians in which Ian Smith himself was called "the Hitler of Southern Africa." The statement that caused his dismissal was far milder: he merely suggested that as majority rule approached, more blacks should have responsible positions in the police and judiciary.

A mild-mannered man, Hove yesterday laughed off the "Hitler" accusation. He said relations between the new black ministers and senior white officials in Salisbury were good. He had asked the Commissioner of Police what sort of security file

Mr. Brezhnev's visit to West Germany

An important rendezvous for East and West

BY JONATHAN CARR IN BONN

Mr. Brezhnev is the strongest man in the Soviet Union, he is not the only policy-maker there. It also recognises, incidentally, that Mr. Brezhnev, for Soviet internal reasons, some firm result from his West German visit proving the exercise to have been worth while. It is recalled that in 1973 Mr. Brezhnev at one point bluntly stated in Bonn that by no means everyone in the Soviet leadership had been in

Trips abroad by Mr. Brezhnev and his retinue are highly symbolic occasions and second only to a visit to the U.S. symbolism is most striking in the case of West Germany, a former enemy which helped begin the détente process with the Ostpolitik and the Moscow treaty of 1970.

Mr. Brezhnev said yesterday in an interview with the German Socialist newspaper Vorwärts that "The state of rela-

remains, despite attempted reassurances, that in SALT-2 the Americans might make concessions on strategic weaponry, placing the Europeans at a disadvantage against the conventional force superiority of the Warsaw Pact."

Admittedly, Herr Schmidt is not in a position directly to negotiate on these issues with Mr. Brezhnev. SALT is a super-power matter—albeit with implications for the Europeans. The decision on whether eventually to produce the neutron weapon is for President Carter alone—as the West Germans never tire of emphasising. MBFR involves Bonn's other allies, though it is a topic which Herr Schmidt has followed particularly closely and his views have been crucial in formulation of the German position.

Nonetheless, Herr Schmidt can seek to discover what scope for manoeuvre Mr. Brezhnev now feels himself to possess on disarmament—information of vital importance to the whole Western alliance. This scope may well be more than has so far been indicated by other Soviet sources, but less than Mr. Brezhnev himself would desire. The German side recognises

had been built up on him personally during his absence from Rhodesia. Back came the diplomatic reply: "Oh, now you are a minister, sir, the file has been destroyed."

Alpine retreat

Suggest to James Longcroft, Tricentrol's deputy chairman and managing director, that he is the first North Sea tax exile made it far harder, for example, to save two of the four Canaletto sold off by Lord Brooke from Warwick. The Birmingham art gallery has not got enough money and there is no central fund. It has happened because Donaldson ignored the unanimous advice of his professional advisers, the national museum directors."

All in all, Donaldson and the "Treasury troglodytes" are in the firing line this week.

The man whose dismissal last Friday rocked the Rhodesian interim government was yesterday preparing to appear for the defence in a conspiracy case in Knightsbridge Crown court. Barrister Byron Hove, erstwhile co-minister of Justice, Law and Order in Salisbury, is back in London, at his king's bench. Walk chambers. As followers of this column will recall, Hove last September issued an "indictment" of Rhodesia's white politicians in which Ian Smith himself was called "the Hitler of Southern Africa." The statement that caused his dismissal was far milder: he merely suggested that as majority rule approached, more blacks should have responsible positions in the police and judiciary.

A mild-mannered man, Hove yesterday laughed off the "Hitler" accusation. He said relations between the new black ministers and senior white officials in Salisbury were good. He had asked the Commissioner of Police what sort of security file

had been built up on him personally during his absence from Rhodesia. Back came the diplomatic reply: "Oh, now you are a minister, sir, the file has been destroyed."

Alpine retreat

Suggest to James Longcroft, Tricentrol's deputy chairman and managing director, that he is the first North Sea tax exile made it far harder, for example, to save two of the four Canaletto sold off by Lord Brooke from Warwick. The Birmingham art gallery has not got enough money and there is no central fund. It has happened because Donaldson ignored the unanimous advice of his professional advisers, the national museum directors."

All in all, Donaldson and the "Treasury troglodytes" are in the firing line this week.

The man whose dismissal last Friday rocked the Rhodesian interim government was yesterday preparing to appear for the defence in a conspiracy case in Knightsbridge Crown court. Barrister Byron Hove, erstwhile co-minister of Justice, Law and Order in Salisbury, is back in London, at his king's bench. Walk chambers. As followers of this column will recall, Hove last September issued an "indictment" of Rhodesia's white politicians in which Ian Smith himself was called "the Hitler of Southern Africa." The statement that caused his dismissal was far milder: he merely suggested that as majority rule approached, more blacks should have responsible positions in the police and judiciary.

A mild-mannered man, Hove yesterday laughed off the "Hitler" accusation. He said relations between the new black ministers and senior white officials in Salisbury were good. He had asked the Commissioner of Police what sort of security file

But the project is not wholly dead, simply lying in abeyance until the East Germans are ready to be more helpful—a readiness which itself probably depends on what other concessions may be extracted from Bonn.

As ever, the West Germans will tell Mr. Brezhnev that for them Berlin remains a "barometer of détente"—that East German and Russian harassment of visiting West German officials hardly makes for the improvement in East-West relations the Soviet Union says it desires.

But the truth is that it is only with that general improvement that the position of Berlin may be made easier. The Four-Power accord on the city, which certainly brought more security for West Berliners, is itself open to interpretation and no doubt would never have been signed had it not been.

The pledge within it that "ties between Berlin and the Federal Republic may be maintained and developed" can easily be interpreted in different ways by the Russians and Americans, and still more so by the East and West Germans, who have never agreed on a common translation of the word "ties." Legalistic argument appears to advance the matter no further. The hope is that a general reduction in tension will eventually render legalistic argument superfluous. Meanwhile, several agreements between West Germany and the Soviet Union—long prepared—remain unsigned because Moscow is not ready to have Berlin included in them. The Bonn Foreign Ministry would be surprised if Mr. Brezhnev's visit brought a breakthrough here.

However, the Soviet and West German leaders will sign a new 25-year economic co-operation pact, and it is understood that in this case Berlin will be covered. That indicates that when what they see as their vital interests are involved, the Russians are ready to be forthcoming. And it is clear that access to West German technology and industrial expertise remains a priority concern for Moscow.

Last year, trade with the Soviet Union made up only 2.2 per cent of West Germany's total trade; slightly more than with Iran, scarcely more than half that with Switzerland. Furthermore, for the first time since 1971, the value of Soviet-West German trade (DM. 10,989m.) declined by comparison with the previous year. It is easy to glance at the figures and ask what went wrong.

The answer the West Germans prefer to give—industrialists as well as the Government—as that much has gone right. Proportionately, trade Strauss.

with the Soviet Union may be small, but its value has, almost quadrupled in six years. Some of Mr. Brezhnev's visionary projects have come to fruition—notably the highly successful long-term deal, under which the Germans supply steel piping and the Russians pump back natural gas in payment. After years of negotiation, West German companies have now received some firm contracts for construction of the huge Kursk steel complex, and more are expected.

Still there remain big obstacles. One is the labyrinthine Soviet bureaucracy, which the West Germans hope may be shaken into rather speedier action by the new long-term economic co-operation accord. Another is the frequent insistence—in common with other state trading nations—on "compensation business," under which payment is made with raw materials or goods, not with hard currency. German industrialists complain that this is now reaching farcical proportions. Mongolia, for example, sought to pay for West German vehicles with the skeleton of a dinosaur found in the Gobi desert.

Manufactured products

Another problem is that one branch of German industry may indeed make an attractive deal with the Soviet Union to deliver plant, machinery and know-how. But the manufactured products which result may be exported by the Russians and threaten the sales chances of other German firms. This is why the West German chemical industry is currently so concerned about the scheme to build a big petrochemical complex in the Soviet Union with German industrial help.

Mr. Brezhnev's visit cannot hope to bring a solution to all these difficulties. But it will be classed a success by the West Germans if, at least brings a new impetus in which solutions will be easier to find. The Germans are well aware that Mr. Brezhnev's health is poor and that this, his second visit to Bonn (culminating in a trip to Herr Schmidt's home-city of Hamburg) may also be his last for both sides. It is important so to extend the co-operative links between them that relations can withstand an eventual leadership change. Perhaps that is also one reason why Mr. Brezhnev, in marked contrast to his 1973 trip, is this time meeting with the West German opposition leaders, Dr. Helmut Kohl and Herr Franz-Josef Strauss.

It's a risky business

The odds are your company is over-protected or under-protected (or even both at the same time).

Risk Management is the modern way to identify, assess and minimise all the risks a company faces in its every day operation—accidents, burglary, fire, vandalism, loss of computer data, industrial espionage, loss of production...

Glanvill Enthoven have pioneered the risk management concept. Through it a company can be sure that the right risks, and only the right risks, are covered by insurance. Thus security is maximised and costs minimised.

To find out more get in touch with us. Write to or telephone Bob Richards (01-283 4622) or David Andrew (061-236 8192).

Glanvill Enthoven Risk Management Limited

144, Leadenhall Street, London, EC3P 3BJ.

Observer

ECONOMIC VIEWPOINT

The muddled and the simple-minded

THE TWO bugbears of British policy-making are the doctrine of the false pragmatist and the false pragmatist. The doctrine is prepared to stick to some simple-minded theory regardless of the evidence. The false pragmatist tries to muddle through, putting each case on its merits, whatever his favourite case is, without the benefit of a coherent understanding of a problem he is trying to solve. The doctrine is a static consistency; the false pragmatist makes shameful U-turns.

I have stolen these terms from a fascinating book by John H. Coatsworth on housing policy, and in that context he is talking about the party of doctrinaires, and the Conservatives the false pragmatists. However, the distinction is a useful one in wider fields than housing.

In matters of economic policy, the Conservatives now seem to be the doctrinaires, and Labour the party of doctrinaires. What is by broad consent the fiscal misjudgment in the Budget certainly seems to contain an element of muddled thinking, though it is not easy to disentangle this from the risk-taking in an action plan. The Government is accused last week by Professor Brian Griffiths, in his inaugural lecture to the City University, of making monetarist gestures rather than pursuing a genuine monetary policy — pursuing growth through over-spending, hoping to contain inflation through comes policy, and including a seemingly restrained monetary target simply to appease the

annoying monetarists who run the financial markets. In a sense this analysis is unfair; Mr. Healey does have a genuine, personal and rather Puritan attachment to credit control. But in another sense it is very apt. Mr. Healey no doubt thought he was pushing expansion as far as was prudent, but he seems to have been largely unaware of the risk that pushing too hard on the fiscal accelerator would even in the short run create more inflation and less growth than could have been achieved with a more restrained policy. He did not give adequate weight to the reaction via exchange rates and interest rates to the decisions he made, and the result is unlikely to contribute much to Labour's election chances.

More absurd

The difficulty is that no one seems able to say with any authority how big his error has been. The more absurd comments in the City seem to suggest that we have somehow stepped straight back to 1976 or 1972 or some other year of ill omen; but the serious comments are much more tentative. The London Business School, for example, which set a ceiling of £30n. for a prudent borrowing requirement for the Budget now seems to have concluded that that was on the high side. Properly speaking, the borrowing requirement—corrected for financial distortions—should have been falling as a proportion of GDP. The LBS has therefore shaded its forecasts for the coming year. The forecast remains, however, for a

year which will compare very favourably with recent years. Greenwell's, in what is put forward as a first attempt to measure the fiscal impact of the Budget, admit to the greatest analytic difficulties. They again are clear about the direction of the error, but not about its size, and stress that because there is a monetary target, the troubles we can expect are those of financial indigestion rather than of full-blown crisis.

Inconsistency is the hallmark of false pragmatism; and the real charge against the Chancellor is that he had the means to know better. The Treasury has developed quite an advanced model of monetary flows and balances in the economy, with the specific aim of ensuring that fiscal and monetary policy are consistent; and although its forecasts are as tentative as those of serious outside analysts, there can be little doubt that similar guidance was available to the Chancellor about the direction of policy. Such guidance is all too easy to over-ride simply because it is impractical; but that means substituting the hunch of sheer optimism for whatever coherent analysis is available. That is the difference between muddling and blundering through, and navigating carefully on what is known from admittedly fallible instruments. If Mr. Healey has been guilty of avoidable inconsistency no such charge has been brought against him by our second exhibit, Sir Geoffrey Howe. Instead, Sir Geoffrey concentrated entirely on tax strategy, and proposed changes—further tax cuts to be financed by a cut in purely financial borrowing—

which would actually make matters rather worse. The whole argument might be designed as a warning: a single, simple-minded doctrine is no more reliable as a guide to policy than the seat of the pants.

So far as one can judge, the Conservative silence over the Budget judgment is due to the fact that the Budget does contain an acceptable monetary target; and for the true doctrinaire, that answers all questions. Again, one might suspect that electoral considerations were overriding better judgement; but the form of Sir Geoffrey's proposed changes reinforces the picture of a doctrinaire rather than an electioneer.

The proposal to finance cuts in income tax by cutting the financial provision for the NEB is admittedly more electorally appealing than a proposal, say, to raise the price of beer; but Sir Geoffrey could not unblushingly put it forward if he did not also believe that it made economic sense.

Wrong figures

Apart, however, from the practicalities of the matter—the NEB's actual outlays, as opposed to its Budget provision, are in fact committed some way in advance—and noting only in passing that Sir Geoffrey appears to have got his figures wrong, the implications of this judgment are little less than terrifying. Even in the most strictly monetary terms, the State's activities as a financial intermediary are quite different from changes in real spending. The National Enterprise Board, as the Conservatives never tire of pointing out when



Mr. Healey: inconsistent



Sir Geoffrey: too consistent



Prof. Friedman: ambiguous

industrial policy is under debate, is intervening where private industry and the banks might otherwise be expected to act; except where it is supporting companies that would otherwise go into immediate liquidation, its financial demands are simply a substitute for others. Shifting the financing burden as proposed may be helpful for the portfolio balance of the institutions, or for applying the discipline of the financial markets, but it does not create room for additions to real demand, by tax cuts or other forms of spending.

What the whole episode suggests, unfortunately, is that the Conservative Party is the victim, not for the first time, of its own propaganda. Monetary policy is important; propaganda makes it all-important and self-sufficient, so a monetary target disarms criticism of the Budget. Financing public spending is a problem; in the world of propaganda, every use

of what is called "taxpayer's money" becomes equivalent to every other use. Mr. Healey may be accused of over-riding the advice available from sophisticated analysis; the Conservatives do not even seem aware that there is a problem needing analysis. It is this tendency to see a simple ready-made answer to every complex problem which is making Sir Geoffrey the despair of his potential friends in the City. All too often recently one has heard bankers and brokers seeking comfort in the thought: "Of course, it doesn't actually mean that he is going to be Chancellor when they get in..."

Unfortunately the tendency to propaganda in the cause of what is claimed as "the monetary counter-revolution" is by no means confined to politicians. The high priest of this revolution, Professor Milton Friedman, so enjoys popular controversy that he is inflicting on himself the fate that Keynes

suffered at the hands of his followers: vulgarisation. His academic writings, like his Nobel oration, are much concerned with problems and doubts. No such doubts appear in his "popular" performances, such as his recent lecture in Stratford, televised and widely reported. There are simply the good guys who believe in monetary rectitude and the hidden hand, and the bad guys who think they can second guess the market.

While Professor Friedman thus encourages his political followers to be dangerously simple-minded, there are two vital questions on which his own viewpoint is a good way from clarity. The first is on the difficulty of monetary control. The insight he has given us is invaluable: abnormal monetary growth—whether too high or too low, as in the 1930s—is a sure sign of erroneous policies. However, getting policy right is not just a matter of setting monetary targets—that battle is

won—but of allowing those targets to exert their full influence on fiscal and other policies, as we have already seen in discussing Mr. Healey. The attempt to make the tail wag the dog by using monetary policy to offset fiscal errors is certainly not the same as that of getting the policy mix right, and it is likely that a money supply controlled in this way actually means something quite different from a money supply which is simply the outcome of other policies. Money is part cause, part effect, part indicator, part instrument. The Professor does not resolve these ambiguities.

The second ambiguity concerns whether we should try to eliminate inflation, or learn to live with it. At times Professor Friedman has talked of monetary targets in line with the expected growth of money (GDP), and of indexed financing to remove inflationary distortions. At others he has talked of inflation as a tax, and of an effort to put monetary and real growth into line. In the real world we learn against inflation, leave the system unadjusted for its distortions, and suffer recession as a consequence. There is precious little guidance from Professor Friedman on how we should conduct ourselves in this painful interim; and lacking guidance, we blunder from one pragmatic expedient to the next, into cartels and price control. It will be the final irony if the pursuit of market economy doctrines whose consequences have not been fully elaborated ends by destroying the market economy.

Anthony Harris

Arbitration and conciliation

Mr. J. Webb Sir—Perhaps it is the papers read but I seem increasingly to be getting the impression that the function of the Advisory Conciliation and Arbitration Service is to restrain any novelty trade union from gaining recognition. John Webb's letter (April 27) seems to present them with a case which should be answered, dealing in reference to the U.K. Association of Professional Engineers and now APT (the Association of Polytechnic Teachers) leave one with an uncomfortable impression that the AS is solidly behind maintenance of established trade union patterns.

In a poll carried out by ACAS of three polytechnics recently a majority response in all of three questioned was that teachers would prefer to be represented by the Association of Polytechnic Teachers rather than the National Association of Teachers in Further and Higher Education. Only in one of the three (polytechnic of North London) was there a majority in favour of continued representation by NATE.

One appreciates that efforts must be made to protect existing collective bargaining procedures; but do these efforts have to mean that the majority of staff in an institution group should be notified to have their views projected and their views predicted by the body of their peers?

Mr. Webb, High Street, Middlesbrough, Cleveland.

reservation, can suggest some way in which I can convince a 25-year-old male employee who would have to pay "contract-out" contributions for 40 years to enjoy the same pension entitlement as his colleague who is 20 years older, and is likely to contribute about half as much.

The bulk of employers who decided to "contract-out" did so because they were already offering their employees superior benefits, albeit at greater cost than the State scheme. As to value for money, British Leyland may rightly argue that the "M1" represents the best value for money available, but I prefer the "Princess" and, fortunately, for me, so do my employees.

Mr. Moffatt, Ruxley Towers, Claygate, Esher, Surrey.

Express mail to Belgium

From the Managing Director Kelly Label Machine Company Sir—Can I ask why in this jet-age there is so much delay in post to Europe. Brussels is only a little bit farther than Manchester but letters that write regularly to our agents in Belgium, situated in Ottignies—about 40 minutes drive on a motorway—take sometimes a week to arrive; never less than five days. On April 22 I sent an express letter to that town; it arrived the following Wednesday the 26th. I not only caught the midday post here in Reigate but the assistant assured me that all the Brussels post went from Gatwick which is only about 15 miles from here.

The same situation seems to arise with letters to Paris. Always 5-6 days and sometimes longer. Does anyone else have this problem or is Reigate just badly situated geographically? I would add that letters to and from the U.S. and Canada take about three days.

B. A. Kelly, 40a High Street, Reigate, Surrey.

Civil Service recruitment

From the First Civil Service Commissioner, Civil Service Department, Civil Service Commission Sir—In his Jobs Column of April 27 Michael Dixon was critical of the Civil Service while touting the Civil Service Commissioners should lower their "recondite" standards in recruitment, particularly at Principal level. But he is mistaken about the rank of Principal. He describes it as "the lowest non-trainee rank in the administrative division," whereas it is three grades above the Administrative Trainee and Executive Officer entries in the managerial hierarchy, and is, in fact, in the top 5 per cent of the civil service. And no one is recruited as a Principal unless he or she is judged to have the potential to rise at least to the grade of Assistant Secretary.

Nor are the Commission's procedures and standards recondite; on the contrary, few methods of recruitment can have received so much publicity. In addition, many outsiders have witnessed our extended selection procedure; 34 non-civil servants; and sometimes three of the five members of the final selection Board are outsiders, including both academics and people with extensive experience of commercial or industrial management.

In his conclusions Mr. Dixon is pushing at an open door. Our method of selection was reviewed in detail by an independent committee in 1969. And the fact was published in 1969. The Government recently announced

Letters to the Editor

in its acceptance of the Expansion Committee's recommendation that the procedure for recruiting graduate administrators is again being reassessed. Furthermore, it has been agreed that two outsiders will shortly be recommended for appointment as Civil Service Commissioners on a part-time basis, and they will participate in this reassessment.

F. H. Allen, Whitehall, S.W.1.

Division of design

From Mr. S. Pugh Sir—Mr. Kent's reply (April 24) to my letter concerning design does I feel reinforce the dichotomy argument, although in this instance he has widened the discussion to a total business operation.

Of course I recognise that design as such is part of a corporate business operation and if it will make him feel any happier I will agree that manufacturing and marketing embrace design. To speak, however, of these as "management disciplines"—really, I would respectfully suggest that all aspects of a business have to be managed at all levels, including design, and that all employees in business are to a greater or lesser degree concerned with management, whether it be the operative working at a lathe or the managing director responsible for the total business activity.

Regrettably, I agree with the statement of Viscount Caldecote: Could it be inadequate and unenlightened management coupled with inadequate education and training that gives rise to such attitudes? I would suggest that Mr. Kent has put answered this question himself when he states "it would be more helpful if designers attempted to locate the responsibility of design initiative within a company, etc." surely if management were effective they shouldn't have to look.

Mr. Keith Grant's comments (April 28) are interesting; as director of the Design Council he must of course be the final arbiter as to what is or is not attributable to the council. While I accept that the definitions I quoted did emanate from an independent report—was not this report prepared at the request of the council? Rightly or wrongly the average reader of the report itself or the article in "Engineering" may, albeit erroneously as it turns out, take these definitions as a Design Council viewpoint.

The most important factor emerging from this correspondence is concerned with the division of design practice into "engineering" and "industrial" design and I am pleased that Mr. Grant agrees with me—or does he?

Stuart Pugh (Smallpoxe Reader in Design), University of Technology, Loughborough, Leicestershire.

Supplies to rural areas

From the Deputy Marketing Director, Shell U.K. Oil Sir—Mr. Bruce's letter of April 27 raises many complex issues, which clearly available space does not permit us here to discuss in detail. We spoke to Mr. Bruce following news media comments on the Press statement issued by the West Aberdeenshire Local Association on April 18. Not all the misrepresentations, however, and it is not correct for Mr. Bruce to say that "Shell states that I have got my facts wrong without substantiating why." We did, in fact, tell him just in what way the figures given in his statement were inaccurate, and he accepted this.

In his Press release he inaccurately described as "rural" sites the total number to which Shell has already written, or to which it will be shortly writing, in order to alter our trading terms. These sites are in fact located just as much in urban and suburban areas as they are in the more rural parts of the country. Irrespective of location, these are the particularly low-volume sites to which the costs of supplying are becoming increasingly onerous. All Shell is doing at the present time is to alter the terms under which we presently deliver, in order to make them less uneconomic to supply. We do not wish, in any way, to imply that we shall discontinue supplies to them. This we never did, and we are not doing now. All this we explained to Mr. Bruce, and we do not understand him, therefore, when he alleges that we have failed to substantiate to him as to why he got his facts wrong.

Equally, we did not choose "to make no comment" to his suggestion for a flexible petrol tax such as might be designed to bring about comparability of retail prices between urban and rural areas. This was a new suggestion and we told him that there would be a case to consider such a proposal, although its implications will be extremely complicated.

I would, however, like to ask Mr. Bruce why he is criticising at the present time one of the mere handful of companies which does maintain a delivery service for all products quite literally from John O'Groats to Land's End. Perhaps he should consider instead the reasons why the presence of other oil companies, who market on a geographically selective basis (for obvious reasons), is conspicuous by its absence in the areas with which he is concerned.

Equally, I would like to ask Mr. Bruce why he is identifying the problem of petrol supply in the form of many basic commodities, all of which are essential to rural life just as they are to the life of city dwellers. He understands, just as I do, the cost penalties associated with

Proposals for Cyprus

From Mr. C. Economides Sir—I am very much afraid that, even if Turkey should heed your advice (April 24) and improve its proposals so that Dr. Waldheim might feel justified in recommending the so-called "interim arrangements," such talks are bound sooner than later to end in another deadlock: for they are in essence a tug-of-war between the Turkish Government, which is pulling on the one side with its powerful army of occupation and the Cyprus Government pulling on the opposite side with its strong moral power.

Nevertheless, all hope has to be in my mind, not least yet. Here is a course of action by which the Security Council could believe cut the Cyprian Gordian Knot, expedite an equitable and viable solution of the problem of Cyprus and also save its own waiting prestige.

Chapter VI of the UN Charter dealing with "Pacific Settlement of Disputes," provides in Article 37 (2) that "if the Security Council deems that the continuance of a dispute is in fact likely to endanger the maintenance of international peace and security, it shall decide whether or not the action under Article 36 is or to recommend such terms of settlement as it may consider appropriate." Although the Security Council has apparently not yet used the latter method for Pacific Settlement of disputes, I believe that method to be very appropriate in the case of Cyprus.

More particularly, I would suggest that the Secretary-General, using the experience he gained during the six rounds of intercommunal talks held under his auspices in the past four years, and with the help of his advisers, may prepare and submit to the Security Council for approval and adoption, recommendations for an equitable and durable settlement of the problem of Cyprus "based on their fundamental and legitimate rights" and in particular on the guidelines agreed upon by the late President Makarios and his Excellency Dr. Denktash at their meeting under the auspices of the Secretary-General on February 12, 1977.

Such recommendations could thereafter be submitted to a referendum by the people of Cyprus as a whole, to be held under UN supervision, which I believe will duly approve them.

That is to my mind the only Pacific way to solve the long-standing problem of Cyprus and its people, and other international disputes too.

Chris Economides, Economides Centre for Economic Research, PO Box 1632, Nicosia, Cyprus.

extended delivery distances by wholesalers, regardless of the product in question. He also underlines the cost penalties associated with low turnover in rural areas compared with high turnover in the more densely populated areas, of which retailers must take account in selecting their margins if they are to survive.

He may not like the consequences of these simple laws of economics, but there are no simple solutions that I know of which will ensure that rural life is no more expensive than urban life. The short answer is that it can only be done with the help of Government subsidies, but this in turn raises many complex issues. Sweden, for example, has similar problems, and discussions are currently going on between the oil companies and the Swedish Government on the subject of subsidies in an attempt to resolve the problems.

J. W. E. Bradley, Shell-Mex House, Strand, W.C.2.

Where in the world will you find Standard Chartered?

In 60 countries around the world, almost anywhere that you may want to do business. In Kenya, for instance, we are a long-established part of commercial life, with 34 branches right across the country.

When you use Standard Chartered for your Kenyan business you save yourself money and time, because our U.K. branch nearest to you will contact any of our Kenyan branches direct. There will be no intermediate banks or indirect delays. Ring Keith Skinner on 01-623 7500 now to hear more about this.

- ### To-day's Events
- Health Appeal at Mansion House, E.C.4.
- National Federation of Building Trades Employers annual meeting. Bonn to sign industrial co-operation agreement with West Germany.
- Mr. Takeo Fukuda, Japanese Prime Minister in New York talks with Dr. Kurt Waldheim, United Nations secretary-general.
- Mr. Valter Mondale, U.S. Vice-President, due to arrive in Bangkok for two-day visit.
- National Enterprise Board annual report.
- British Railways Board annual report.
- Sir Peter Vaneek, Lord Mayor of London, launches Mental and mortgage advances (1st quarter).
- ### COMPANY RESULTS
- British Sugar (half-year). Mettoy (full year). Mothercare (full year). National and Commercial Banking Group (half-year). Sears Holdings (full year). Serek (half-year).
- ### COMPANY MEETINGS
- Albright and Wilson, Hyde Park Hotel, S.W.12. City and Commercial Investment Trust, 117, Old Broad Street, E.C.2. Collins (William), Glasgow, 12.30. East Lancashire Paper, Radcliffe, 11.45. Jamesons Chocolates, Tottenham, N. 2.30. Refuge Assurance, Manchester, 12. Solicitors Law Stationery, Savoy Hotel, W.C.2.



WHERE IN THE WORLD WILL YOU FIND STANDARD CHARTERED?

In 60 countries around the world, almost anywhere that you may want to do business. In Kenya, for instance, we are a long-established part of commercial life, with 34 branches right across the country.

When you use Standard Chartered for your Kenyan business you save yourself money and time, because our U.K. branch nearest to you will contact any of our Kenyan branches direct. There will be no intermediate banks or indirect delays. Ring Keith Skinner on 01-623 7500 now to hear more about this.

Standard Chartered Bank Limited

helps you throughout the world

Head Office: 10 Clements Lane, London EC4N 7AB. Assets: £27,500 million.

COMPANY NEWS+COMMENT

M & S growth slows in second half

AFTER RISING from £40.69m. to £52.02m. at mid-year, pre-tax profit of Marks and Spencer ended the March 31, 1978 year at £54.7m. higher at a record £117.82m. Turnover for the year jumped from £1.06bn. to £1.23bn.

The profit was struck after an additional contribution to the employees' pension scheme of £1.50m. (nil), a £1.50m. allocation to the employees' profit sharing scheme (nil), interest of £3.2m. (£3.1m.) and depreciation of £1.42m. (£1.27m.).

A breakdown of trading profit shows the U.K. contributed a £24.1m. (£108.82m.) profit, Europe a £1.84m. loss (£0.48m.) and Canada a loss of £0.55m. (£4m.).

The European loss was after charging pre-opening expenses totalling £1.85m. including the third and final instalment of expenses incurred prior to the commencement of trading of £0.85m. All pre-opening expenses are now being fully written off in the year they are incurred.

The Canadian loss was after charging £0.54m. for store closures in the Marks and Spencer division, part of the continuing rationalisation of Canadian businesses.

After tax of £53.74m. (£49.36m.) and minorities, earnings per 25p share are shown at 9.03p (8.41p). A final dividend of 2.5443p net per share takes the total to 4.2443p compared with 3.8311p last time. A one-for-one scrip issue is also proposed.

Salv.	1977-78	1976-77
U.K. - Clothing, etc.	1,254,323	1,064,277
Europe - Clothing, etc.	262,505	311,477
Canada - Clothing, etc.	12,210	12,341
U.K. - Food	38,191	67,412
Europe - Food	3,325	4,171
Canada - Food	25,000	23,720
U.K. - Textiles	121,425	102,443
Europe - Textiles	134,102	106,821
Canada - Textiles	1,927	4,700
U.K. - Miscellaneous	8,226	49,732
Europe - Miscellaneous	84,179	33,020
Canada - Miscellaneous	84,252	34,466
Dividends	27,619	24,862
Retained	36,916	29,965

See Lex

Blackwood Hodge (Canada)

First quarter 1978 turnover of Blackwood Hodge (Canada) fell from \$26.44m. to \$21.30m. and after a tax credit of \$532,000 (\$220,000) there was a loss of \$365,000 (\$210,000). The loss per share is given as 23 (1) cents.

The directors say the figures reflect the seasonal nature of the business and are broadly as expected.

Subject to any unforeseen deterioration in trading conditions generally they believe that it should be possible to achieve a material improvement in 1978 earnings.

HIGHLIGHTS

Retailing dominates to-day's reports, with full-year figures from Marks and Spencer and Sainsbury. M and S disappointed the market with profits of £118m., compared with £102m., but Sainsbury was up to the mark, though the figures do show that margins have been squeezed due to the supermarket price war. But second-half profits have been held and the group claims to be increasing market share. On the surface P & O's pre-tax profits rise looks good at 37 per cent., but after adjusting the figures for exceptional items and ship sales the profits come out 17 per cent. lower. Elsewhere there is the SUITS' rejection of Lombard's bid. Haden's hopes in the Middle East have suffered a setback, and Laporte's profits are lower than expected by a sizeable margin. Nurdin has been hit by the price war, but Marshall's Universal offered a bright spot, with profits up 38 per cent.

BIT revenue increase

Total revenue of British Investment Trust rose from £3.32m. to £3.5m. for the year to March 31, 1978 and available revenue increased to £2.85m. against £2.56m. after tax of £1.85m. compared with £1.65m.

Earnings per 25p share are shown as 4.8p (4.46p) and the dividend is lifted to 4.83p (4.3p) with a second interim payment of 2.85p net. Net asset value per share is given as 1.88p (1.73p).

BIT is owned by National Coal Board Pension Funds.

Feb Intl. ahead to £0.32m.

Including £7,000, against £5,000, from associates and after a loss from discontinued operations of £24,000, against £36,000, pre-tax profits of Feb International rose in 1977. At mid-year the rise was from £121,000 to £138,000.

Sales for the year came to £9.7m. (£9.53m.) including £0.88m. (£1.01m.) from discontinued operations.

After tax of £174,000 (£124,000) full year earnings are shown at 3.22p (2.61p) per 10p share and the dividend is lifted from 1.37p to 1.70p net with a final 1.1p.

The group manufactures chemicals and fixing devices and acts as wholesale and retail distributors of building and plumbing materials, etc.

INCH KENNETH

Holders of Inch Kenneth Kelang Rubber have approved the pro-

Downs Surgical recovers

A SECOND half upsurge from a depressed £48,735 to £449,195 enabled Downs Surgical to recover from the mid-year fall to finish 1977 with taxable profits ahead at £277,185 compared with £200,735. Sales increased from £1,019,431 to £1,219,500 and the directors say that profits and trading conditions in the U.K., he does not expect the results there to be as good as last year, nor does he feel it would be reasonable to expect the U.S. company to be able to repeat last year's outstanding performance.

The directors state that depreciation is now charged on all freehold and long leasehold buildings and that no provision is made for deferred tax except for liabilities expected to arise in the foreseeable future.

At the year end stocks had been reduced by £530,000 and bank borrowings by £238,000.

The company manufactures and supplies surgical instruments and appliances and hospital equipment.

Grovebell advances to peak £108,707

With turnover up 69.5 per cent. to £4.25m. pre-tax profit of Grovebell Group, the holding and investment company, jumped

from £49,523 to a record £108,707 for the year to November 30, 1977, reflecting the acquisition of Gregory and Hepburn and the continued growth of other subsidiaries.

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008).

At half-year, profit was ahead of £28,008 to £44,257, which included £27,150 from the new subsidiary, less a £12,000 interest charge on the acquisition.

After tax of £37,892 (£18,444), an extraordinary credit this time of £8,888 arising from the purchase of Gregory and Hepburn and Profence dividends, attributable profit for the year advanced to £20,608 to £49,104. Stated earnings were 2.7p (1.4p) per 5p share and a final dividend of 0.5p lifts the total payment from 0.8p to 1p net costing £15,000 (£12,000). Retained profits emerged at £34,104 (£25,008

Financial Times Thursday May 4 1978

Sainsbury up to £27m. —market share rises

INCLUDING VAT of £13.8m. against £10.9m. turnover of £10.9m. Sainsbury expanded from 1977 to £27.1m. in the 52 weeks to March 4, 1978. Reflecting slightly lower second-half profits of £15.12m. compared with £15.46m. the full-year taxable surplus emerges at £27.14m. compared with £25.3m.

The November, reporting a rise from £10.7m. to £12.6m. for the first 26 weeks the directors warned that the unexpectedly buoyant turnover of the 1977-78 second half was not expected to be repeated and in the current competitive climate margins would be under some pressure.

After tax on the ED 19 basis of £5.6m. (£5.96m.) full-year earnings are shown at £25.34p (£24.39p) per 25p share and the dividend lifted from 5.444p to the maximum permitted 6.000p net with a final of 5.857p.



Mr. John Sainsbury, chairman of J. Sainsbury—market share increased from 6.9 per cent. to 7.8 per cent.

quarter's trading. Three more hypermarkets are being planned to open over the next four years. Mr. Sainsbury says it has long been policy to site hypermarkets in city centres as well as seeking edge of town sites and district centre sites which have the advantages of lower costs, greater convenience and easier access. Sainsbury's proposed development in Oldbury "is an excellent example of siting a hypermarket in a town centre environment desperately in need of revitalising."

This type of development can be viable in certain circumstances, states the chairman, but this should not mean the prevention of developments in new locations. He tells members that 1977-78 could hardly be a better demonstration of the benefits to the consumer of strong retail competition. Planning difficulties continue to inhibit new store development and thus, to a significant degree, protect the status quo and limit new competition. "There should be room for both a sensible and forward-looking policy for urban areas that have declined without denying the shopping public the benefits that derive from developments on the edge of towns," he declares.

See Lex

Increases at El Oro Exploration

Pre-tax profit of El Oro Mining and Exploration Company for 1977 rose from £55,732 to £244,471 and its associate, Exploration Company reports taxable profits ahead at £702,992, against £539,579, for the same period.

Respective interim dividends for 1977 by El Oro and Exploration are 1.084p (0.988p) per 10p share and 0.544p (0.447p) per 10p share, both the maximum permitted.

Results for El Oro include £239,099 (£178,394) and tax taken £249,078 (£214,883). Tax charge for Exploration was £232,245 against £205,017; assets of the latter having investments at market value, totalled £5,622,335 (£4,393,499).

Laporte slumps to £10.24m.

SECOND HALF profits of Laporte Industries (Holdings) tumbled from £10.07m. to £3.22m. under the pressure of intensified competition in the titanium dioxide market and the strengthening of sterling and after the write down of raw materials and finished stocks of titanium dioxide.

Total profit before tax in 1977 ended at £10.34m. against a record £15.35m. Sales for the year were up from £131.43m. to £151.51m.

Directors say that in the fourth quarter the competition for its titanium dioxide business intensified sharply, resulting in a significant fall in the prices achieved for this product.

In the same period the temporary strengthening of the pound, particularly against the U.S. dollar, resulted in lower export realisations.

They say these factors, together with the £1.07m. write down in raw material and stock values, more than accounted for the trading profit reduction of Laporte and its subsidiaries from £9.54m. to £3.28m.

In spite of the general stagnation in the chemical industry in the second half of 1977, Laporte's other products in general performed well. The interest business particularly had a good year, they say.

takes the total from 5,439,146p to 6,785p, in line with the June rights issue forecast of a 10.25p gross payout for the year.

1977 1978
Sales 151,511 151,511
Principal interest co's 292,142 292,142
Trading profit 12,273 12,273
Laport and subsidiaries 3,777 3,777
Principal interest 7,968 7,968
Other assets 94 94
Interest 2,961 2,961
Profit before tax 10,340 10,340
Tax 3,079 3,079
Net profit 7,261 7,261
Extraordinary income 668 668
Prof. dividends 32 32
Amm. Ord. 4,472 4,472
Ordinary dividends 1,151 1,151
After depreciation less transfer from investment and development 2,785 2,785
Account £10.24m. (£15.35m.)

comment

Laporte had forecast at half time that second half earnings would show a shortfall of £2m.-£3m. In the event, the setback was closer to £7m. Even though the comparative period was an exceptional one, the final outcome does reflect a very poor fourth quarter in 1977 when Laporte faced severe competition in its titanium dioxide business. The resultant fall in price levels—about 30 per cent. in some areas—and the £1.07m. write down of stocks coupled with a stronger pound more than account for the two-thirds fall in the trading profits of Laporte and its subsidiaries.

However, its other products, particularly the interest business, have had a good year and this helped to cushion the fall. Demand for chemicals in the first quarter of this year remains low. So although titanium dioxide prices have hardened significantly recently and the pound has eased against the U.S. dollar, the effect will not be felt in the first half. Any rally will probably come in the second half, which suggests final figures around three just reported. The shares at 10.25p yesterday yield 10.3 per cent. on a p/e of 8.2.

Fothergill & Harvey sees further profit growth

IN HIS ANNUAL statement, Mr. J. A. Jordan, the chairman of Fothergill & Harvey, says he is confident that the group will continue to make the most of the opportunities available and with its acquisitions, ensure for the future growth in the current year.

As reported on March 31, pre-tax profits rose from £0.9m. to £1.65m. in 1977 on turnover of £13.04m. (£9.66m.).

Mr. Jordan says that the failure of the more highly developed countries to inflate; the tight domestic monetary policy; and the improvement in the value of sterling, continued to restrict volume growth and led to under-utilisation of capacity in some areas.

Turnover increased by 25 per cent. but this was at the expense of margins in the Textiles and Composites divisions. However, tight control over working capital enabled the group to end the year with short term borrowings unchanged from a year earlier. Liquidity increased by £16,000 (£1.15m. decrease).

As at December 31, Jones Stroud held 24.84 per cent. of the equity.

Meeting, Manchester, May 26 at 12.30 p.m.

As reported on March 31, pre-tax profits rose from £0.9m. to £1.65m. in 1977 on turnover of £13.04m. (£9.66m.).

Mr. Jordan says that the failure of the more highly developed countries to inflate; the tight domestic monetary policy; and the improvement in the value of sterling, continued to restrict volume growth and led to under-utilisation of capacity in some areas.

Turnover increased by 25 per cent. but this was at the expense of margins in the Textiles and Composites divisions. However, tight control over working capital enabled the group to end the year with short term borrowings unchanged from a year earlier. Liquidity increased by £16,000 (£1.15m. decrease).

As at December 31, Jones Stroud held 24.84 per cent. of the equity.

Meeting, Manchester, May 26 at 12.30 p.m.

As reported on March 31, pre-tax profits rose from £0.9m. to £1.65m. in 1977 on turnover of £13.04m. (£9.66m.).

Mr. Jordan says that the failure of the more highly developed countries to inflate; the tight domestic monetary policy; and the improvement in the value of sterling, continued to restrict volume growth and led to under-utilisation of capacity in some areas.

Turnover increased by 25 per cent. but this was at the expense of margins in the Textiles and Composites divisions. However, tight control over working capital enabled the group to end the year with short term borrowings unchanged from a year earlier. Liquidity increased by £16,000 (£1.15m. decrease).

As at December 31, Jones Stroud held 24.84 per cent. of the equity.

Meeting, Manchester, May 26 at 12.30 p.m.

First half fall for Devenish

Largely due to a reduction of some £30,000 in interest received on short term deposits, pre-tax profits of J. A. Devenish and Co., the Dorset brewing group, fell from £207,084 to £188,222 for the 24 weeks to March 17, 1978. The directors say that the trading companies have produced profits comparable with last year.

Turnover for the period rose from £1.73m. to £3.3m. Tax takes £86,400 against £107,500.

The interim dividend is raised from 2p to 2.15p per 25p share. Last year's total was 5.3p paid from full year profits of £1.32m.

Revertex sees improvement

IF THE expectation of faster growth in consumer demand in the U.K. materialises, Sir Campbell Adamson, the chairman of Revertex Chemicals, tells shareholders in his first annual statement that the group's business at home should benefit in 1978. And the group should see results from the management reorganisation, and the work and

Pearson expects steady all round growth

BY RICHARD LAMBERT

S. PEARSON AND SON is expecting steady all round growth during 1978 following a rise from £28.5m. to £32.2m. in attributable pre-tax profit in 1977. Over the longer term, Pearson is planning to expand its interests in America, which currently generate 19 per cent. of group profits.

Introducing the annual report at a Press conference yesterday, Lord Gibson, the chairman, said the group currently had assets of about £50m. in the U.S., and no borrowings. Acquisitions and the development of existing businesses were both possible, and could be financed partly by disposing of the investment portfolio and partly by borrowing.

Pearson's largest U.S. investment is a holding of convertible preferred stock in Ashland Oil—worth roughly \$40m.—and would represent about 3 per cent. of Ashland's common stock if converted. Only about a fifth of the group's U.S. assets consist of operating activities, notably a holding in Blackwell Land—an agricultural project which is expected to produce substantially improved returns over the next couple of years—and an investment in Camco Inc., which is involved in oil industry equipment and services. Energy related activities are likely to form an important part of the group's U.S. expansion.

Among the U.K. companies, Doull's profits rose 11 per cent. to £12.8m. pre-tax last year, and this ceramic, glass, and engineering business is expected to make further progress in 1978. Export margins have been squeezed by the rise in sterling, but the report states that the benefit from major capital investment made in recent years is still to come through to profits.

Pearson Longman

In the Pearson Longman group, 63.38 per cent. of which is owned by S. Pearson, the profit of the Financial Times rose by £1m. to nearly £4m. the profit of the newspaper rose from £1.6m. to £2.3m. Publication of the paper on the Continent is due to start early in 1979 and it is expected to take about three years for the investment to justify its running costs. Meanwhile, the drain on profits arising from this development is not expected to be large in relation to the £7.5m. a whole.

Net tangible assets at the year end stood at £175.3m., of which £48.1m. related to minority interests. In addition, the market value of properties is estimated to exceed book value by £18m., while the market value of investments is some £20m. above the balance sheet figure.

The equity base is supporting medium and long term borrowing of £42.5m. and net short term debt of £7.2m.

Both S. Pearson and Pearson Longman have drawn up inflation adjusted figures according to the Hyde guidelines. For Pearson, the effect is to halve net attributable profits to £8m.—compared with a dividend cost of £4.7m. This calculation includes an adjustment for the increase in free capital at Lazard Brothers which would have been needed in order to maintain in real terms an unchanged capacity to conduct banking business.

For Pearson Longman, where last year's dividend cost £2.5m., attributable net profits are cut by the Hyde guidelines from £10m. to just under £7m.

A separate balance sheet for Lazard Brothers and its subsidiaries shows net tangible assets of £42.8m., and a balance sheet total of £500m. The report discloses that Mr. J. Fraser (who joined the Board of Pearson last year) together with his wife entered into contracts dated August 8th 1973 with Whitehall Securities Corporation, a wholly-owned subsidiary of the company, whereunder Whitehall Securities advanced to each of them the sum of £25,000 to finance part of the cost of purchase of a total of 5000 shares of £10 each of Lazard Brothers, and Co. Limited, a subsidiary. The advances carry interest at 5 per cent. per annum and are repayable upon Mr. Fraser ceasing to be in the employment of, or hold office in, Lazard Brothers or earlier at his option, and the said shares are the subject of a negative pledge in favour of the Whitehall Trust, the immediate parent of Lazard Brothers. By contracts dated August 15, 1973 with Whitehall Trust Mr. and Mrs. Fraser are obliged to sell and Whitehall Trust to purchase the said shares at a fair valuation upon Mr. Fraser ceasing to be in the employment of, or hold office in, Lazard Brothers. Mr. Fraser also has a house purchase loan of £21,000 from Lazard Brothers.

Reports to meetings

The following are extracts from recent annual meetings:

Shareholders of Greengroat Properties were told that due to the recent elections in France, the group had not been able to complete formulae regarding its claim for compensation there.

The French Government had asked for more time and the Board had been given assurances that finality would be reached by the end of the week. The Board considered that until the protocol had been signed it would not be right to ask holders to pass the accounts in their present form as the compensation figure is so material to the financial position of the group. The directors took the view that it would be in the interests of the holders to adjourn the AGM for a period sufficient to allow the French authorities to complete the matter. Accordingly the meeting was adjourned to May 12.

At the meeting of Anella Television Group, the Marquess of Epsom, the chairman, said that Anella now controlled 38.01 per cent. of Sodalstream for a total investment of £884,003. This included £25,335 for the purchase of further shares in East Anglian Securities Holdings, increasing the holding in that company to 35.5 per cent. Sodalstream, based in Peterborough, manufactures machines for the preparation of carbonated soft drinks in the home. In the U.K. the machines are marketed by Kenwood. The unaudited accounts of Sodalstream at October 31, 1977, show profits before tax and extraordinary items of £608,000 and net assets of £1,238,000.

Reckitt needs export growth

IT IS essential for Reckitt and Coleman in the U.S. to remain competitive in export markets. Mr. J. A. S. Clemenson, the chairman, says in his annual statement. And he is confident that the group will achieve this in 1978.

However, he says that group businesses around the world are very dependent on the general state of world trade. He believes there will be increasing prosperity in the U.K. this year and hopes

that other main markets will improve their domestic output. The strengthened pound began to affect profits in the latter part of 1977 and this is bound to carry through into 1978 as long as sterling maintains its present strength, he says.

"Nevertheless, we most certainly are in a good position to benefit from any upturn in world trading when it occurs, and I expect that we shall continue

to work hard to show further improvement in our results in 1978."

In 1977 pre-tax profit rose from £51.43m. to £57.91m. A current cost statement with accounts shows this reduced to £48m. by additional depreciation of £7m. and a cost of sales adjustment of £11m. offset by a £3m. gearing adjustment.

Meeting, Connaught Rooms, W.C., on May 23 at 11 a.m.



FOTHERGILL & HARVEY LTD

Fluorocarbon products, fibre reinforced composites and industrial synthetic fibre textiles

Sound and Steady Progress

HOME TRADE TURNOVER UP 28% TO £9.0m.
EXPORT TRADE TURNOVER UP 15% TO £3.0m
PROFIT BEFORE TAX UP 16% TO £1m.
DIVIDEND PER SHARE OF 25p. (net) UP TO 6.21p.

PROSPECTS

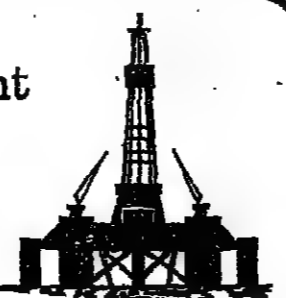
We see little sign, as yet, of an upturn in the U.K. economy and there is continuing, but understandable, reluctance on the part of the major countries to reflate. However, the Company has successfully come through all the frustrations and disappointments of the past year. We are confident that we will continue to make the most of the opportunities available and, with our acquisitions, ensure further profits growth in the current year.

Fothergill & Harvey Ltd. Summit, Littleborough, Lancashire.

Tricentrol

a British independent oil company with a 9.6524% interest in the important Thistle Field now in production.

Tricentrol is a producer of oil and gas in Canada and the U.S.A. and is involved in a worldwide natural resource exploration programme. Tricentrol also has wide ranging commercial activities.



Results at a glance— Year ended 31st December 1977	1977 £000	1976 £000
Turnover	95,043	71,202
Profit before taxation	3,782	2,479
Profit after taxation	3,212	2,133
Retentions	2,668	1,781
Shareholders' funds	24,750	20,101
Earnings per ordinary share: Basic	8.8p	6.8p
Fully diluted	8.4p	6.5p
Dividends per ordinary share (gross)	2.0p	1.25p
Shareholders' funds per ordinary share	66.7p	58.5p

Copies of the Report and Accounts are available from the Group Press and Public Relations Department, Tricentrol Limited, Capel House, New Broad Street, London EC2M 1JS.

JLW Computon® 24 hour Valuation Service



Accurate Efficient Economical

Property Valuation is aided by JLW COMPUTON. A brochure outlining all JLW COMPUTON services is available on request from: 33 King Street, London EC2V 8EE Ref: J.D.W.

JONES LANG WOOTTON
Chartered Surveyors

BIDS AND DEALS

Atcost bought from liquidator

PART of the collapsed empire of property developer Mr. Ronald Lyon has been bought from the liquidators, Cork Gully, now that it has returned to profitability.

Six directors of Atcost, a building and construction group within Lyon, which specialises in steel frame concrete buildings for farms and industry, have raised £800,000 to buy the company in which the National Coal Board Superannuation Scheme is to take up a 42 per cent. stake.

Only £100,000 of the price is by way of equity capital, with the directors holding 52 per cent. and the Atcost pension fund controlling 6 per cent., the remainder has been raised by way of bank loans apparently from the National Westminster group.

Announcing the deal yesterday, Mr. Michael Stubbs, the managing director, said Atcost has now returned to profitability. For the year to September, he expected sales to reach £10m—at the moment there were orders valued at £7m, and completed sales so far this year of £5m.

Financial figures for the past 17 months show sales of £15.4m, (19.5m, annualised) and profits were £121,000 (128,000 annualised). In 1976 the group lost £254,000 on sales of £7.5m. This year profits are expected to climb sharply. Current net assets are £1m.

Mr. Stubbs says Atcost is recovering well from the recession in the construction industry. The most profitable side at present is the special projects division which builds large-scale industrial units, but the steel frame farm buildings business, where Atcost is the market leader, is also steady.

Mr. Stubbs also confirmed that the directors had their eye on launching Atcost as a public company but that would be at least two to three years away.

CUSTOMAGIC SUSPENDED

Shares of Customagic Manufacturing, the stretch covers company, were suspended on the Stock Exchange yesterday following the announcement of an approach which could lead to an offer.

In January this year, Mr. Michael Ashcroft and Mr. Allan Cloggie acquired 20 per cent. of Customagic through companies in which they had interests. They became deputy chairman and managing director respectively. In the year to April 30, 1977, Customagic made a pre-tax loss of £315,000 on turnover of £4.6m. In the first half of 1977-78, it lost £16,000 pre-tax on sales down to £3m, at £1.9m. The company has moved to a smaller factory.

OAKSTONE/REYNOLDS

Acceptances received by Oakstone Motors in respect of its offer for W. J. Reynolds Holdings amount to 2,357,518 Ordinary shares (96.66 per cent.) and 15,880 Preference shares (13.99 per cent.). Both offers are now unconditional and remain open.

CES/KENDALL

Acceptances received by Combined English Stores in respect of the offer for Kendall and Sons amount to more than 90 per cent. The offer is now unconditional and remains open.

STATUS DISCOUNT

The Healey family's 70 per cent. stake in Status Discount has been reduced to just over 50 per cent. following the placement of 1.1m shares on behalf of the family by

the company's brokers, J. and A. Seeringhouse.

A spokesman for Seeringhouse said yesterday that the shares had been placed with a spread of institutions. The family had felt the share price had been restricted by its large holding, he said.

CASTLEFIELD RUBBER

Castlefield (Klang) Rubber Estate, part of the Harrisons and Crosfield plantations empire has stated that it knows of no reason for the rise in its shares and that there are no other matters of importance pending.

The shares have risen from a low of 16 1/2p this year to 30 1/2p last night. Speculation has been rife in the plantations sector after a number of bids involving Harrisons and Crosfield group companies.

The Castlefield statement was prompted by enquiries from Kuala Lumpur Stock Exchange.

DECCA/GRANGER

Decca will manufacture several novices that it has reached an agreement with Granger Associates, of California, to purchase Granger's HF radio products.

The transaction includes not only engineering designs and technical assistance but also tooling and the inventory of finished equipment, parts, and work in progress. The acquisition of these products will substantially broaden Decca Communication's coverage of the HF radio market.

Decca will manufacture several versions of single sideband receivers, 1 and 3 kW HF transmitters and other system accessories at its Sevenoaks factory.

Unicorn deal with Atlas Copco

Unicorn Industries, the grinding wheels and abrasive grain manufacturer, has acquired 50 per cent. of Atlas Copco Gracilis AB, Sweden, for S.Kr.6m. (£1,130,000) and 50 per cent. of Atlas Copco Gracilis U.K. for S.Kr.3m. (£526,000). Both were previously wholly owned subsidiaries of Atlas Copco.

The deal includes options for Unicorn to acquire the balance of both companies for S.Kr.13m. (£1.8m.) and S.Kr.4m. (£574,000) respectively before September 30, 1980.

Atlas Copco Gracilis manufactures diamond drilling machinery, core barrels and core bits for the exploration, mining and construction industries. Its turnover amounted to £3.9m. in 1977 and the net loss attributable to the group acquired by Unicorn was £115,000.

Dr. Terence Filcroft, chief executive of Unicorn, said yesterday that a key element of the agreement was that Atlas Copco Gracilis would be able to sell direct to customers instead of passing some profit on to Atlas Copco and its agents. The product range of Unicorn was similar to that of Atlas Copco Gracilis, which should lead to more effective marketing.

Atlas Copco has agreed to continue existing loans of S.Kr.21m. (£2.9m.) to Atlas Copco Gracilis companies and to waive the present interest arrangements. The loans will be repayable in three equal annual instalments starting on December 31, 1978.

The unaudited figures for the first quarter of 1978 indicate that Atlas Copco Gracilis is now trading profitably.

KURSAAL IN SICILY

The Kursaal Company of Malta has completed the purchase through its subsidiary, Dragonara Palace Investments, of the 50 per cent. share interest in a recently formed Italian company, Hotel Villa Sant'Andrea Spa, held by Lady Nicholson, for an initial cost

U.S. PURCHASE OF SECURITY TRUST

Beneficial Corporation has acquired Security Trust, a company operating in the banking field, formerly controlled by Charco Fund for about £21m.

Security Trust is intended to broaden Beneficial's financial services in the United Kingdom with the ability to accept savings and deposit accounts. Beneficial already operates 36 loan and hire purchase branches throughout the United Kingdom. The financial strength of Beneficial will enable the company to continue to expand its services to a wide range of customers.

Security Trust has gross assets currently in excess of £7m. It provides a range of financial services for the private individual and businessman including personal loans with its subsidiary Mortgage providing family bill paying services.

Beneficial Corporation, based in Delaware, is a diversified financial company with assets of over \$8.3bn. It is pursuing a policy of overseas expansion.

WARD WHITE

Ward White Group announces that the acquisition of Betts and Broughton has been completed.

Burns Anderson has sold the share capital of Melvin Electric Company (Southport) which trades as electrical wholesalers.

Melvin earned pre-tax profits of £41,170 in the year to June 30, 1977, and at that date had net tangible assets of £82,672.

The sale price of £10,000 together with repayment of the group loan account of £168,000 (£100,000 on completion, £68,000 plus interest at 2 per cent. above National Westminster base rate in instalments ending May 1, 1979, and the release of bank facilities

INSTITUTIONS GO INTO KENNESIDE

Following an increasingly common trend institutional investors, including Kleinwort Benson, Hambros Bank, the NCB Pension Funds and Prudential, have made a substantial equity investment in Kenneside Holdings, a private company.

KH is based at Newbury which specialises in the marketing, design, supply and servicing of colour control systems and equipment and also provides a technical and plastic colouring and compounding service to the plastic-using industries.

The investment will enable the group to expand in the growing market for computer-based colour control, both domestically and internationally.

ALLIED/BLAKEY'S

The offer by Allied Insulators for the 6 per cent. Cumulative Preference stock of Blakey's (Malleable Castings) has been extended until May 24.

Acceptances have been received in respect of 3,224 Preference units (53.7 per cent.).

GODFREY'S

Acceptances received by Ziffen in response to its offer for Godfrey's, total 3,740,444 shares (90.85 per cent.).

ASSOCIATES DEAL

Latex and Crutchbank bought on April 25, 1978 50,000 Linford Holdings Ordinary at 143p and 65,000 at 144p.

London Scottish Finance Corporation (LSFC) has transferred to Gossford Financial Management the whole of the 1,022,020 shares held by it. Both companies are wholly owned subsidiaries of Edward Lumley (Finance).

Share stakes

Saroy Hotel—Trafalgar House and its subsidiaries, now holds 5,685,750 "A" Ordinary shares.

Midhurst White Holdings—Scottish Amicable Life Assurance Society holds 400,000 Ordinary shares (53.2 per cent.).

G. H. Downing and Co.—Norwich Union Insurance Company now holds 5,142 per cent. shares.

A. Monk—St. Piran has recently acquired a further 167,500 Ordinary shares and now holds a total of 2,893,000 shares (53.2 per cent.).

International and Singer—Sandax International now holds 2,709,623 shares (11.56 per cent.).

Celtic Haven—Mr. J. S. Llewellyn, director, disposed of 15,000 Ordinary shares at 17 1/2p on April 14.

Cape Industries—Central Mining Finance (subsidiary of Charter Consolidated) has increased its interest to 2,177,447 Ordinary shares (9.07 per cent.).

Charter Consolidated's aggregate interest in Cape Industries is now 18,074,832 shares (66.97 per cent.).

Merchants Trust—Commercial Union Assurance has acquired a further £10,000 (4) per cent. Preference stock making total £60,000 (5.09 per cent.).

P. and W. Maclellan—Mr. D. G. Maclellan, director, acquired 30,261 Ordinary shares. Mr. J. R. Thomson, director, sold 100,261 Pritchard Services Group—London Trust Company has acquired a further 65,000 Ordinary shares increasing holding to 1,220,000 (5.67 per cent.).

Sterling Credit Group—The ITC Pension Fund and the ITC Pension Investments have exercised their option on March 31 to convert 90,000 £1 Convertible Preference shares to 420,000 Ordinary shares.

Southern Photographic—Mr. M. Souhami and Mr. B. Bennet, directors, are interested in 41,843 and 16,000 shares in the company.

Cope Sportsware—Mr. G. J. Copes' holding is now 1,388,242 Ordinary shares (34.38 per cent.). Having sold 22,000 shares.

Fluoride Engineering Company—Imperial Group now holds 333,187 Ordinary shares (5.14 per cent.).

The shares being held in the name of the ITC Pension Trust jointly with the ITC Pension Investments.

John Lewis and Company—John Lewis Partnership has purchased 23,300 of 5 per cent. First Cumulative Preference stock, bringing its total interest to £315,332 of that class (21.02 per cent.).

Western-Evans Assurance—Sun Life Assurance has sold 97,500 shares and its holding is now less than 5 per cent.

Provincial Laundries—Mr. J. I. Goldring, a director, has notified the company that his non-beneficial interest in the shares of the company, held by Linnet Consultants and associates, has been reduced to 60,543 Ordinary shares.

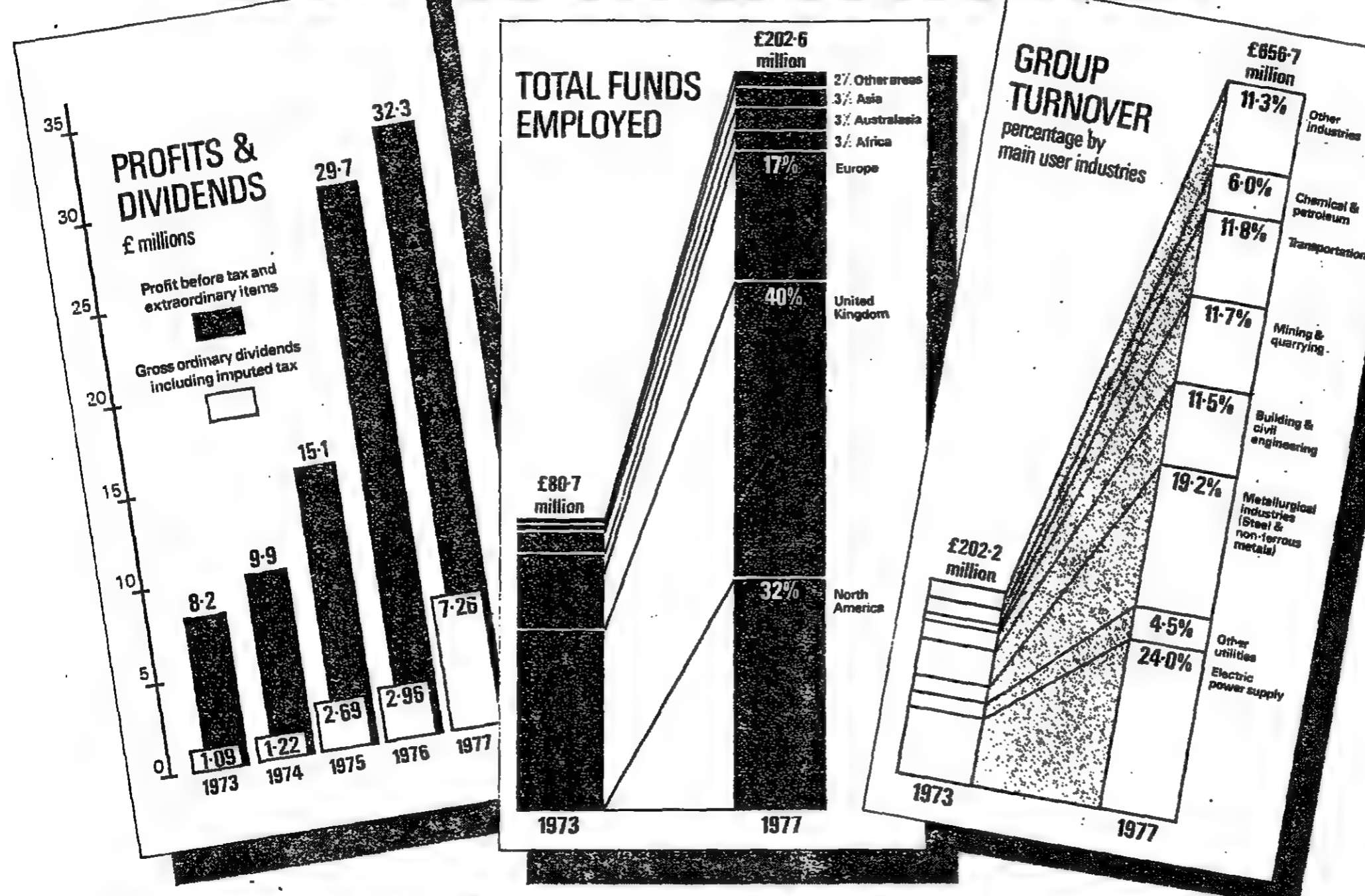
Malayalam Plantations (Holdings)—Harrisons and Crosfield, (6.81 per cent.).

Aeromautical and Geon Instruments—Globe Investment Trust has sold its holding of 150,000 shares and its sub-Equity Investment Trust—has sold a holding of 100,000 shares. Then fore Globe's interest no longer exists. However 120,000 of the 150,000 referred to above have been acquired by an unauthorised unit trust managed by Electr Fund Managers which comes under the Companies Act from "interested" in such shares.

Electric Fund Managers is wholly owned subsidiary of Electr Fund Services which in turn is a subsidiary of Globe Globe is also, therefore, in companies acts terms "interested" in those shares.

A. and J. Mucklow Group—A. and J. Mucklow Group reduced to 60,543 Ordinary shares (6.81 per cent.).

Babcock & Wilcox...



...engineers strength.

Review of 1977

The manner in which the Group weathered adversity in 1977 is indicative of its inherent strength, which was further enhanced by actions taken during the course of the year. Our plans to reinforce the Group's financial structure were successfully achieved with the \$35 million convertible bond issue in October and significant improvements in the liquid position of all the major companies.

Most of the Group's operations produced significantly better results than in 1976 and, in spite of the generally low demand for engineering products and capital goods of the types we supply, the total value of orders in hand increased by almost £100 million during the year.

Acco, in its second year as a subsidiary, maintained the momentum of profit recovery

Exports in 1977 £81.7 million (37% up)
Average number of employees 1977
37,000

started in 1976 and produced much improved results, notably in its North American operations.

Cash flow, particularly in the United Kingdom and the USA, was strongly positive throughout the year with the result that the Group's net liquid position improved by approximately £37 million and aggregate borrowings declined from £93.1 million to £68.4 million at the year end.

Outlook for 1978

The Group began 1978 with uncompleted orders in hand to a value of £642 million, compared with £545 million at the start of 1977. Since the start of the current year a number of major contracts have been booked and, generally throughout the Group, order intake has been moderately better than in the corresponding period of 1977.

The Group's business depends largely on the level of economic activity in the major countries of the world. There are still no signs

of any significant recovery from the present general recession and I have no reason to believe that the year ahead will be any easier than either of the past two. However, this time we are starting from a stronger base.

Mr. John King, Chairman,
reporting to shareholders.

Analysis of turnover and trading profits:		
Power and Process Engineering group	Turnover 1977 (£000)	Trading profits 1977 (£000)
	132,872	2,606
Construction Equipment group	41,820	4,438
General Engineering group	112,498	1,181
Electrical Engineering group	18,836	1,445
International group	143,380	3,499
Babcock International Inc.:		
Acco	204,720	18,353
Other	2,543	64
	656,669	31,586

HOSKINS & HORTON LTD

BUILDING SUPPLIES & HOSPITAL EQUIPMENT

Results in brief:	1977	1976
Group turnover	7,996	7,553
Group profit before taxation	607	790
Net assets employed	3,388	3,162
Profit before loan interest and tax as a percentage of net assets employed	18.5%	25.6%
Earnings per ordinary stock unit	16.0p	15.8p
Dividend per ordinary stock unit	5.17p	4.68p
Cover for ordinary dividend (times)	3.10	3.37

OUTLOOK FOR 1978

Despite the difficult conditions experienced last year there should be an improvement in the group results for the current year. If certain export prospects materialise, this improvement would be a marked advance but it is too early to predict whether there will be a return to the level of profits established in 1976.

S. LLOYD Chairman

Copies of Annual Report available from Company Secretary, UPPER TRINITY STREET, BIRMINGHAM B9 4EQ.

Rotork Limited

Valve actuators instrumentation design and engineering, specialist Woodworking machinery and Sea Trucks and specialised vessel assets.

1977 — good results in a difficult year

	1976	1977
Turnover	12.09	15.90
Profit on trading	2.83	3.07
Interest and exchange differences	0.35	0.15
Profit before tax and extraordinary items	3.18	3.22
Tax	1.48	1.35
Profit after tax before extraordinary items	1.70	1.87
Extraordinary items, etc.	0.02	0.40
Profit after extraordinary items	1.68	1.47
Earnings per share	19.2p	20.3p
Dividend per share	2.11p	2.37p

Extracts from review by the Chairman, Jeremy Fry:

The group achieved record sales an increase of 31% over 1976, of which 22% arose through organic growth and the remainder from our two acquisitions during the year. Profit on trading was slightly above that of last year in spite of heavy international competition and we consider that our return on sales is creditable for an engineering company trading in a rather difficult year. The company's return on capital employed remains at a healthy level.

Incoming orders for the Controls and other engineering divisions continue at a reassuring level although at reducing margins. By the nature of its business it is too early in the year to take a view of the Marine division's likely level of trading.

Copies of the annual report are available from The Secretary, Rotork Limited, Bath BA1 3JQ.

rotork

هكرا منة الأمل

S. Pearson & Son

Good results for 1977 from our four major divisions

Pre-tax profits

£44.9m

Extracts from Lord Gibson's statement

Whitehall Trust
(Banking and investment trusts)
Lazard Brothers
Embankment Trust
Minden Investment Trust

Pearson Longman
(Publishing)
Financial Times
Westminster Press
Longman Group
Penguin Books
Ladybird Books

Doulton & Co
(Ceramics, glass and engineering)
Royal Doulton Tableware
Doulton Glass Industries
Doulton Engineering Group
Doulton Australia
Allia Doulton

Midhurst USA
(North American Investments)

Head Office
Interest and expenses less other profits

Attributable Profit before taxation	£33.3m
Profit after taxation	£16.3m
Earnings per ordinary share	23.7p
Dividends per ordinary share	6.8p
Turnover	£328.5m

Tribute to Lord Cowdray

I would like to begin my first report as chairman of the Pearson Group by paying a tribute to the outstanding service given to the company by my predecessor, Lord Cowdray, who retired from the chairmanship at the end of 1977.

Profit Increase

In 1977 we achieved total profits before tax of nearly £45.0 million. This is a record and represents an increase of 17 per cent over the previous year.

Resources for Development

Investments in the United Kingdom and the USA, which can over a period be redeployed in our operating companies and for acquisitions, stood at a market value of over £60 million at the end of 1977 and provide a strong base for further development in the future.

Group Philosophy

There has been much argument lately between two schools of thought, "small is beautiful" on the one hand and "big is rational" on the other. For our part we aim in the Pearson Group to provide a "big" framework within which small and medium-sized groups can conduct their business securely and with as much autonomy as possible.

Annual General Meeting

I hope that as many shareholders as possible will attend the annual general meeting on 26th May. There will be an opportunity for shareholders to meet members of the board informally after the meeting if they so wish.

Stop Press

Since the year end we have acquired Madame Tussaud's for £14 million. We believe the field of entertainment is an attractive one in which to invest as leisure, tourism and spending power increase. Madame Tussaud's has excellent management and a proven ability to generate cash and will head up the group's new leisure division.

To: The Secretary
S. Pearson & Son, Limited
Millbank Tower
Millbank, London SW1P 4QZ

Please send me a copy of the 1977 Annual Report.

Name

Company

Address



GRAMPIAN HOLDINGS

Statement by the Chairman, David C Greig

The 1977 pre-tax profit of £1,464,000 compares with the 1976 figure of £2,811,000.

The result follows a year when Grampian companies, which cover a fair part of the spectrum of industrial activity, have experienced both the good and the bad features inherent in the general economic climate. Companies providing goods and services have done reasonably well. The companies involved in the Civil Engineering industry have had a hard year. The year has also served to show that the group should diversify itself of some activities which either had no potential for development within the group or were likely to need resources for development which could better be deployed elsewhere.

Industrial Services other than Transport have suffered from the recession in Civil Engineering. In common with many other companies in this field we take the view that positive action must be taken to secure greater stability in this significant sector. When public expenditure is cut and industry is being cautious, over-capacity leads to a dangerously low level of profitability. That is bad for the financial stability of the companies, for the consulting firms and for the continuity of employment of the people involved.

Fleming Brothers, Clachan and London Midland & Scottish Contractors (LM & S) were adversely affected in this climate. It was clear that some rationalisation of our capacity was required and this resulted in the closure of LM & S. We have fortunately been able to arrange alternative employment for a fair proportion of the employees concerned. Transport however, whose activities are broadly based, performed well in combating the slim margins available in that industry and continued to be a very significant contributor to the group's profits.

In my letter of 6 April to shareholders I explained the reasons for the sale of the assets of the English activities of North Sea Gas Services and Utilities and the disposal of the equity of Robert Laidlaw. I can report that these decisions were endorsed at the Extraordinary General Meeting on 21 April.

Finally in disinvestment it was decided to close Alexander Ferguson (Marine and Domestic pipe fittings). This small company had been trading in a poor market. It had incurred a substantial loss in the year and appeared to have little prospect of real recovery in the near future.

I have recounted these decisions firstly because it is right that shareholders should be fully aware of the changes in the group. It is equally important that they should be aware that the Board is intent on concentrating on contributing companies.

The improvement in Printing and Publishing (Covell) is encouraging but further progress is essential if this company is to play its part in the group.

The Electronic and Audio companies (Hall and Pinnacle) had another very good year. Sales and profits are the result of energetic management which is enlarging its share of an interesting market.

Rose-Morris (Musical Instruments) has made real progress and is now well placed to benefit from the continuing demand at home and abroad for its products.

Progress in recovery in Furniture is much slower than we could have hoped. The health of this industry is heavily dependent on the purchasing power of the public and the stability of prices of imported materials. Recent circumstances have not been favourable but strenuous efforts are being made to stabilise this company.

In the Sports and Leisure field your Board made an important decision to set up a joint venture company with the Japanese rod and reel manufacturers, Daiwa, and a new manufacturing unit has been established in Lanarkshire. Daiwa is a company of international repute and we look forward to a fruitful association with them. This will complement our national reputation through Millard Brothers in the Field Sports equipment market.

Mitre Sports (soccer balls, sports footwear, cricket and squash equipment) is continuing its penetration into the relevant markets in Britain and the United States. There is now a significant management presence in the United States to support the sales efforts there. In particular we believe we can offer quality products which will enable us to get a reasonable share of the developing soccer market in North America.

Tourist Retail (Moffat) had a very busy year, benefiting from the significant number of foreign tourists who were attracted to Scotland. The creation of effective sales outlets in this type of business requires constant skilled reappraisal both as to place and form, and Moffat has established its reputation in this field.

The value of the group's exports has risen from £6.2 million to £8.9 million in 1977. We will continue to seek opportunities in foreign markets.

A final dividend of 9.97p (2.4925 pence per share) is recommended, giving with the interim a total of 15.97p (3.9925 pence per share) which compares with a total of 15.73p (3.9325 pence per share) for 1976.

In conclusion, I would like to express my very sincere thanks to all those who work in and manage the business of the group. I have described the difficulties that have faced us this year. However there are also many positive situations in the group which will serve as the base for a new advance.

Copies of the Annual Report may be obtained from the Secretary, Grampian Holdings Limited, Stag House, Castlebank Street, Glasgow G11 6DY.

MINING NEWS

Lead sales fillip to MIM earnings

BY KENNETH MARSTON, MINING EDITOR

AUSTRALIA'S MIM Holdings has been managing remarkably well against the background of depression in the copper and zinc markets. During the past ten months of its current financial year to June 30 MIM has been helped by increased sales of lead coupled with a non-taxable capital gain on sales of investments of A\$727m (£45m).

As a result, net earnings for the period amount to A\$39.6m, against A\$35.1m for the same period of 1976-77 when the full year's total was A\$44.08m, virtually double that of 1975-76. But the further outlook is less satisfactory.

Apart from the usual sales of lead, MIM has been also selling lead concentrates. Stocks of the latter have been built up above normal levels owing to environmental restrictions on lead smelter operations at Mount Isa pending the construction of a new smelter stack which should be in service in December.

Over the 40 weeks to April 9 sales revenue increased by 4.1 per cent, thanks to the higher contribution from lead and silver; that of copper and zinc, on the other hand, was lower.

In the more recent 16 weeks to April 9 there was a fall in overall sales revenue. The trend seems likely to continue in the absence of further sizeable sales of lead concentrates and a continued low level of copper and zinc prices. MIM were 177p yesterday.

LKAB apatite supply deal

SWEDEN'S State-owned LKAB iron ore mining complex, north of the Arctic Circle, has signed a NKr.100m (£10m) deal to supply

apatite concentrate to Norway's Norsk Hydro, reports John Walker from Stockholm. Over the five years starting in 1980, about 100,000 tonnes of concentrate a year will be supplied by LKAB.

Apatite is a phosphorus raw material used in fertiliser production and results from the unwanted phosphorus waste removed from iron ore production. The material is to be mined from the Kiruna mine in northern

Sweden to Norway's ice-free port of Narvik from where it will be shipped to the Norsk Hydro plant at Glomsfjord.

LKAB expects to invest about SKr.60m (£7.07m) on the new project of which SKr.43m will be for the processing plant at Kiruna and SKr.17m, for storage facilities at Narvik. Last year LKAB made a loss of SKr.670m, but hopes to reduce its losses this year.

Texasgulf lifts gloom over base metals

WITH AN optimism about the future of the base metals industry, belied by the state of depressed company results, Dr. Charles Fogarty, the chairman of Texasgulf, the U.S. and Canadian producer, has predicted the necessity for a sharp increase in the production capacity of copper and zinc, among other minerals.

He told the annual meeting at Houston that by 1980 an extra capacity of 340,000 tons of copper would be needed each year to meet demand. "The length of the current down cycle for basic resources is especially surprising in the light of historic rates of growth in demand," he said.

For the present, however, many Canadian companies are simply trying to hold their heads above water. From Toronto, John Seganick reports that Cyprus Apatite, hit by low zinc prices, turned in its first quarter loss of C\$2.8m (£1.51m), on revenue of C\$24.9m, compared with a net profit of C\$1.85m in the same period of 1977.

Although Messina (Transvaal) Development, has stopped exploration at the property, an increase in the Irish Government's guarantee of the mine's overdraft will enable the operation to continue.

OIL AND GAS NEWS

Australian shale oil find

THE two partners in the Rundle oil shale project in Central Queensland, whose shares have been subjects of growing market interest in recent months, have announced that they are nearing the end of a A\$5m (£3.24m) drilling and testing programme reports Kenneth Randall from Canberra.

The companies, Southern Pacific Petroleum NL and Central Pacific Minerals NL, say that drilling has indicated 2,340m tonnes of shale containing 1.5bn barrels of shale oil.

In response to Stock Exchange queries at the end of March, the companies issued detailed technical reports and said that nothing had come to their attention which was inconsistent with their previous statement that development of the Rundle deposit appeared to be a commercial prospect, based on current world prices for petroleum products.

The deposit is about 30 km north of Gladstone, the big coal and alumina port, in four seams totalling more than 180 metres in thickness and extending over an area at least nine km by four km, according to the companies' data. Samples are currently being sent to 50 tonnes lots for testing in West Germany and the U.S.

The reports say tests have shown the ground at Rundle to be relatively soft and suitable for major open-cut mining. Three treatment processes are under study—those of Lurgi-Ruhrgeas of West Germany and Union Oil of California and Superior Oil Co. of the U.S.

The Rundle shale is a mudstone impregnated with kerogen, a long hydrocarbon molecule, which breaks up at 530 degrees centigrade for condensation. The partners say their marketing consultants are confident that there are substantial, growing markets for oil and gas in Gladstone and that an initial, modest

operation of about 20,000 barrels a day, rising over time to a possible 200,000 barrels a day would find sales at satisfactory prices.

In the past five months, with considerable assistance from London buyers, Southern Pacific Petroleum shares have moved from 36 cents to A\$1.50 and Central Pacific Minerals has risen from 65 cents to A\$4.50.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

The bank's accounts are qualified by auditors Thomson McIntock insofar as they are unable to form an opinion on the value of development land and development properties (in the books at £26.87m), against which one subsidiary (FC Finance) has made

operation of about 20,000 barrels a day, rising over time to a possible 200,000 barrels a day would find sales at satisfactory prices. In the past five months, with considerable assistance from London buyers, Southern Pacific Petroleum shares have moved from 36 cents to A\$1.50 and Central Pacific Minerals has risen from 65 cents to A\$4.50.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

The bank's accounts are qualified by auditors Thomson McIntock insofar as they are unable to form an opinion on the value of development land and development properties (in the books at £26.87m), against which one subsidiary (FC Finance) has made

operation of about 20,000 barrels a day, rising over time to a possible 200,000 barrels a day would find sales at satisfactory prices. In the past five months, with considerable assistance from London buyers, Southern Pacific Petroleum shares have moved from 36 cents to A\$1.50 and Central Pacific Minerals has risen from 65 cents to A\$4.50.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

The bank's accounts are qualified by auditors Thomson McIntock insofar as they are unable to form an opinion on the value of development land and development properties (in the books at £26.87m), against which one subsidiary (FC Finance) has made

operation of about 20,000 barrels a day, rising over time to a possible 200,000 barrels a day would find sales at satisfactory prices. In the past five months, with considerable assistance from London buyers, Southern Pacific Petroleum shares have moved from 36 cents to A\$1.50 and Central Pacific Minerals has risen from 65 cents to A\$4.50.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

The bank's accounts are qualified by auditors Thomson McIntock insofar as they are unable to form an opinion on the value of development land and development properties (in the books at £26.87m), against which one subsidiary (FC Finance) has made

operation of about 20,000 barrels a day, rising over time to a possible 200,000 barrels a day would find sales at satisfactory prices. In the past five months, with considerable assistance from London buyers, Southern Pacific Petroleum shares have moved from 36 cents to A\$1.50 and Central Pacific Minerals has risen from 65 cents to A\$4.50.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

The bank's accounts are qualified by auditors Thomson McIntock insofar as they are unable to form an opinion on the value of development land and development properties (in the books at £26.87m), against which one subsidiary (FC Finance) has made

operation of about 20,000 barrels a day, rising over time to a possible 200,000 barrels a day would find sales at satisfactory prices. In the past five months, with considerable assistance from London buyers, Southern Pacific Petroleum shares have moved from 36 cents to A\$1.50 and Central Pacific Minerals has risen from 65 cents to A\$4.50.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

The bank's accounts are qualified by auditors Thomson McIntock insofar as they are unable to form an opinion on the value of development land and development properties (in the books at £26.87m), against which one subsidiary (FC Finance) has made

operation of about 20,000 barrels a day, rising over time to a possible 200,000 barrels a day would find sales at satisfactory prices. In the past five months, with considerable assistance from London buyers, Southern Pacific Petroleum shares have moved from 36 cents to A\$1.50 and Central Pacific Minerals has risen from 65 cents to A\$4.50.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

The bank's accounts are qualified by auditors Thomson McIntock insofar as they are unable to form an opinion on the value of development land and development properties (in the books at £26.87m), against which one subsidiary (FC Finance) has made

operation of about 20,000 barrels a day, rising over time to a possible 200,000 barrels a day would find sales at satisfactory prices. In the past five months, with considerable assistance from London buyers, Southern Pacific Petroleum shares have moved from 36 cents to A\$1.50 and Central Pacific Minerals has risen from 65 cents to A\$4.50.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

Resources available for Grattan's growth

CONSIDERABLE expansion of the activities of Grattan Warehouses can take place within the group's existing financial resources without recourse to shareholders, Mr. Michael Pickard, the chairman, tells members.

The company has a low borrowing ratio compared with its current assets, particularly bearing in mind that both stocks and debtors are liquidated well within a six monthly period, he points out.

In recent years much emphasis has been given by the directors to the control of the company's current assets in view of the impact that inflation was having on the balance sheet and the requirement to borrow more.

During 1977/78 bank borrowings were reduced to £5.74m (£7.11m). However this trend is unlikely to continue if the directors' commitment to increase sales is successful, he points out.

Taxable profit for the year to January 31, 1978, was marginally ahead at £11.75m (£11.43m) on sales, excluding VAT of £154.7m (£137.5m)—as reported April 5.

The net dividend is raised to 5.56p (5.217p) per 25p share and it is proposed to increase authorised capital from £11.8m to £13.5m, by the creation of 8m, unclassified shares of 25p; to convert the 0.25m, 5 per cent Cumulative Redeemable Preference shares of £1 into 1m, 10p shares.

Working capital at year end was up £9.98m (£8.06m). On an inflation adjusted basis on the Hyde guidelines profit is shown at £11.5m after effecting a depreciation of £257,000. An adjustment in respect of working capital of £3.85m, reduced the

profits of Co-operative Bank increased by almost a third to £3.97m, in the year to January 14, and after taxation and minorities, profit retained amounted to £1.8m, as against £1.2m in the preceding year. The improvement was achieved despite government restrictions on lending which, according to chairman Sir Arthur Suggden, were particularly onerous for Co-operative Bank because of its heavy involvement in the wholesales and retail trade and in personal lending, none of which qualifies as a priority area.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

The bank's accounts are qualified by auditors Thomson McIntock insofar as they are unable to form an opinion on the value of development land and development properties (in the books at £26.87m), against which one subsidiary (FC Finance) has made

operation of about 20,000 barrels a day, rising over time to a possible 200,000 barrels a day would find sales at satisfactory prices. In the past five months, with considerable assistance from London buyers, Southern Pacific Petroleum shares have moved from 36 cents to A\$1.50 and Central Pacific Minerals has risen from 65 cents to A\$4.50.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

The bank's accounts are qualified by auditors Thomson McIntock insofar as they are unable to form an opinion on the value of development land and development properties (in the books at £26.87m), against which one subsidiary (FC Finance) has made

operation of about 20,000 barrels a day, rising over time to a possible 200,000 barrels a day would find sales at satisfactory prices. In the past five months, with considerable assistance from London buyers, Southern Pacific Petroleum shares have moved from 36 cents to A\$1.50 and Central Pacific Minerals has risen from 65 cents to A\$4.50.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

The bank's accounts are qualified by auditors Thomson McIntock insofar as they are unable to form an opinion on the value of development land and development properties (in the books at £26.87m), against which one subsidiary (FC Finance) has made

operation of about 20,000 barrels a day, rising over time to a possible 200,000 barrels a day would find sales at satisfactory prices. In the past five months, with considerable assistance from London buyers, Southern Pacific Petroleum shares have moved from 36 cents to A\$1.50 and Central Pacific Minerals has risen from 65 cents to A\$4.50.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

The bank's accounts are qualified by auditors Thomson McIntock insofar as they are unable to form an opinion on the value of development land and development properties (in the books at £26.87m), against which one subsidiary (FC Finance) has made

operation of about 20,000 barrels a day, rising over time to a possible 200,000 barrels a day would find sales at satisfactory prices. In the past five months, with considerable assistance from London buyers, Southern Pacific Petroleum shares have moved from 36 cents to A\$1.50 and Central Pacific Minerals has risen from 65 cents to A\$4.50.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

The bank's accounts are qualified by auditors Thomson McIntock insofar as they are unable to form an opinion on the value of development land and development properties (in the books at £26.87m), against which one subsidiary (FC Finance) has made

operation of about 20,000 barrels a day, rising over time to a possible 200,000 barrels a day would find sales at satisfactory prices. In the past five months, with considerable assistance from London buyers, Southern Pacific Petroleum shares have moved from 36 cents to A\$1.50 and Central Pacific Minerals has risen from 65 cents to A\$4.50.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

The bank's accounts are qualified by auditors Thomson McIntock insofar as they are unable to form an opinion on the value of development land and development properties (in the books at £26.87m), against which one subsidiary (FC Finance) has made

operation of about 20,000 barrels a day, rising over time to a possible 200,000 barrels a day would find sales at satisfactory prices. In the past five months, with considerable assistance from London buyers, Southern Pacific Petroleum shares have moved from 36 cents to A\$1.50 and Central Pacific Minerals has risen from 65 cents to A\$4.50.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

The bank's accounts are qualified by auditors Thomson McIntock insofar as they are unable to form an opinion on the value of development land and development properties (in the books at £26.87m), against which one subsidiary (FC Finance) has made

operation of about 20,000 barrels a day, rising over time to a possible 200,000 barrels a day would find sales at satisfactory prices. In the past five months, with considerable assistance from London buyers, Southern Pacific Petroleum shares have moved from 36 cents to A\$1.50 and Central Pacific Minerals has risen from 65 cents to A\$4.50.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

The bank's accounts are qualified by auditors Thomson McIntock insofar as they are unable to form an opinion on the value of development land and development properties (in the books at £26.87m), against which one subsidiary (FC Finance) has made

operation of about 20,000 barrels a day, rising over time to a possible 200,000 barrels a day would find sales at satisfactory prices. In the past five months, with considerable assistance from London buyers, Southern Pacific Petroleum shares have moved from 36 cents to A\$1.50 and Central Pacific Minerals has risen from 65 cents to A\$4.50.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

The bank's accounts are qualified by auditors Thomson McIntock insofar as they are unable to form an opinion on the value of development land and development properties (in the books at £26.87m), against which one subsidiary (FC Finance) has made

operation of about 20,000 barrels a day, rising over time to a possible 200,000 barrels a day would find sales at satisfactory prices. In the past five months, with considerable assistance from London buyers, Southern Pacific Petroleum shares have moved from 36 cents to A\$1.50 and Central Pacific Minerals has risen from 65 cents to A\$4.50.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

The bank's accounts are qualified by auditors Thomson McIntock insofar as they are unable to form an opinion on the value of development land and development properties (in the books at £26.87m), against which one subsidiary (FC Finance) has made

operation of about 20,000 barrels a day, rising over time to a possible 200,000 barrels a day would find sales at satisfactory prices. In the past five months, with considerable assistance from London buyers, Southern Pacific Petroleum shares have moved from 36 cents to A\$1.50 and Central Pacific Minerals has risen from 65 cents to A\$4.50.

Advances of the Co-operative Bank at £153m, (as against £121.7m) nevertheless showed a greater increase over the year than those of the other clearing banks, and so did deposits, at £350.6m, (as against £306.9m).

The bank's accounts are qualified by auditors Thomson McIntock insofar as they are unable to form an opinion on the value of development land and development properties (in the books at £26.87m), against which one subsidiary (FC Finance) has made



Commitment to growth

Michael Pickard, Chairman, reports on 1977

- ★ Sales up by 12% to £166 million
- ★ Profit increased to £11.7 million
- ★ Dividend increased to 5.56p per share
- ★ Net assets employed £48 million

Looking to the future he says:

■ Demand from our new Spring/Summer Catalogue has recovered reflecting a livelier presentation of an improved range of merchandise at more competitive prices. The trading performance over the full year should provide increased volume and profit growth—however the benefit of increased sales will not show up in profits until the second half

The Annual General Meeting will be held in Bradford on 25th May 1978. If you would like a copy of the Report and Accounts, please write to the Secretary, Grattan Warehouses Limited, Anchor House, Ingley Road, Bradford, West Yorkshire, BD9 2XG



CATALOGUE MAIL ORDER



Salomon Brothers

Dominion Securities Inc.

Goldman, Sachs & Co.

A. E. Ames & Co.
Incorporated

The First Boston Corporation

Merrill Lynch, Pierce, Fenner & Smith
Incorporated

Wood Gundy Incorporated

Bache Halsey Stuart Shields
Incorporated

Blyth Eastman Dillon & Co.
Incorporated

Dillon, Read & Co. Inc.

Drexel Burnham Lambert
Incorporated

E. F. Hutton & Company Inc.

Kidder, Peabody & Co.
Incorporated

Lazard Frères & Co.

Loeb Rhoades, Hornblower & Co.
Incorporated

McLeod, Young, Weir, Incorporated

Paine, Webber, Jackson & Curtis
Incorporated

Smith Barney, Harris Upham & Co.
Incorporated

Pearson Longman

A quoted subsidiary of S. Pearson & Son

'The balance of our activities between books and newspapers has served us well'

Pre-tax profits

£21.4m

Extracts from Lord Gibson's statement

FT

Financial Times
National newspaper
Business publishing
Business information services

£5.0m

WPP

Westminster Press
Provincial newspaper publishing
General printing

£6.2m



Longman Group
Educational, medical
and reference
book publishing

£9.3m



Penguin Books
Paperback books and other publishing

£1.4m



Ladybird Books
Children's books

£1.4m

Head Office
Interest and expenses

(£0.9m)

Profit after taxation	£10.5m
Earnings per ordinary share	24.3p
Dividends per ordinary share	6.0p
Turnover	£146.4m

1977 Results

The profit of £21.4 million achieved in 1977 was a reasonable performance when compared with £19.9 million earned in 1976. After tax and after deducting minority interests but before extraordinary items, the group's profit was £10.0 million compared with £9.0 million in 1976, an increase of 11 per cent.

The balance of our activities

The balance of our activities between books and newspapers has served us well. Generally speaking, newspapers are good generators of cash while our book companies need substantial and increasing funds to finance large stocks and overseas customers. On the other hand the book trade, particularly on the educational side, has been less cyclical in profit terms than the newspaper industry and has provided the group with steady profit growth. Another advantage is our geographical spread. The newspaper revenues are derived mainly from the United Kingdom while the book companies, with well over half their trade overseas, lessen the group's dependence on the home economy.

The Financial Times to publish in Europe

An important event during the year was the announcement of our intention to publish the *Financial Times* in Frankfurt for distribution on the continent of Europe and in North America. It is planned to begin publication early in 1979. We believe that this development will substantially strengthen the ability of the *Financial Times* to serve its overseas readers and advertisers and thus in the long run increase the strength and profitability of the company.

To: The Secretary
Pearson Longman Limited
Millbank Tower
Millbank, London SWP4QZ

Please send me a copy of the 1977 Annual Report.

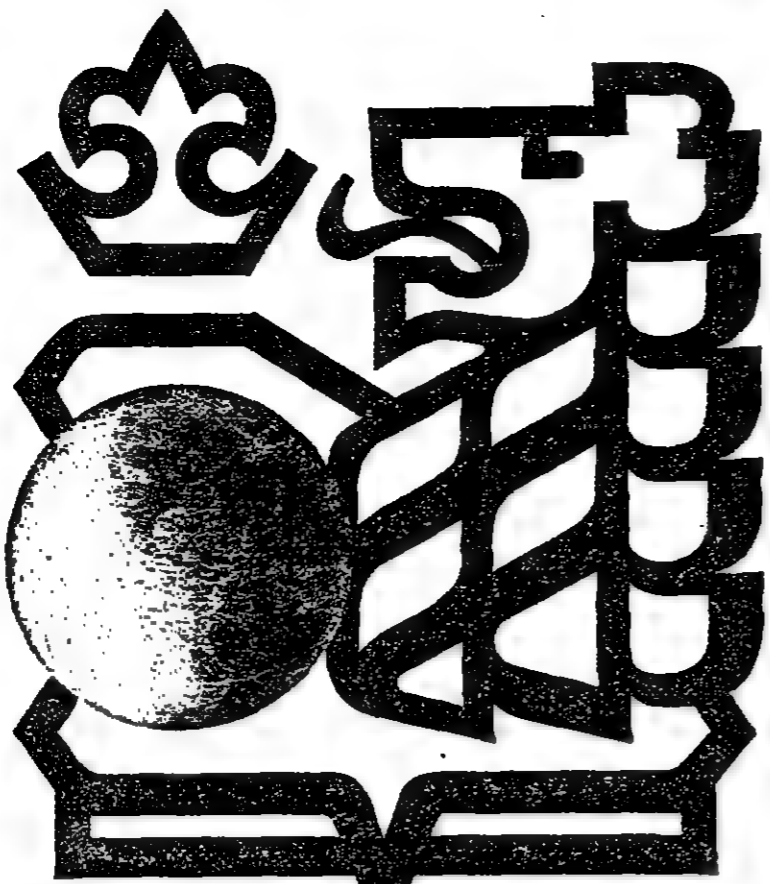
Name

Company

Address

FT.

Why involve a Canadian bank if your banking doesn't involve Canada?



It will probably come as no surprise to you that the Royal is Canada's largest bank. But, with assets exceeding \$35 billion, we're also the fifth largest bank on the North American continent, and one of the largest banks in the entire world. In fact—through our offices, representatives, subsidiaries, affiliates and correspondents—we're involved in banking in more than a hundred different countries.

Now size, we grant you, isn't all it takes to handle the worldwide needs of today's multi-nationals and governments.

But with size comes the expertise, the experience and the fast decision-making that it does take. Not just for basic international banking, but for project financing, Euro-currencies, import/export deals and the entire spectrum of international financial transactions.

So, if you have the feeling that your needs extend beyond your existing bank relationships, contact us. The Royal Bank. At (01) 606-6633 in London, 266-90-30 in Paris or (0600) 726 051 in Frankfurt. Even if your international business doesn't involve Canada. And especially if it does.



THE ROYAL BANK OF CANADA
One of the world's great banks.

Bestobell Limited

THE INTERNATIONAL ENGINEERING AND CHEMICAL PRODUCTS GROUP

'ADVANCE IN 1977'

Sir Humphrey Browne, Chairman



- Group profits up 19% in spite of exchange rates' effect on overseas profits.
- Dividend raised by permitted maximum.
- U.K. exports up 60% to £8m.
- U.K. companies' improving trend sustained—overseas recover from set-back.

Salient figures	1977	1976
Sales	£86m	£78m
Profit before tax (before extraordinary items)	£5.5m	£4.6m
Profit after tax (before extraordinary items)	£3.1m	£2.8m
Earnings per share (net)	23.5p	21.4p
Dividend per share	9.5p	8.4p

Overseas companies financial year now commences with U.K.—1976 figures are re-stated and also adjusted for changes in tax provisions.

Copies of the Report and Accounts are available from the Secretary at Stoke House, Stoke Green, Stoke Poges, Slough SL2 4HS.



The Bestobell Group employs about 6,000 people in 33 operating companies located in 19 countries. Main products and activities include: VALVES AND CONTROLS: AIRCRAFT COMPONENTS: CHEMICAL PRODUCTS: INDUSTRIAL SEALS AND MOULDINGS: PAINTS AND DOMESTIC PRODUCTS: THERMAL AND ACOUSTIC INSULATION.

Marshall's Universal jumps by 35.6% £3.54m.

SALES FOR 1977 of Marshall's Universal advanced by 33.91 per cent. to £46.97m. and pre-tax profits were 35.6 per cent. higher at £3.54m. after £1.82m. (£1.51m.) in the first half.

Full year earnings are shown at 30.44p (28.95p) per 25p share on capital increased by last year's rights issue and the dividend total is effectively raised from 3.08712p to 3.3831p net with a final of 3.2681p.

The group, which distributes motor vehicles, accessories and components and paper board products, achieved increases in turnover and profit with all U.K. activities and the East African interests contributing to record results.

Extraordinary items consist of £3,546 exchange loss and £39,507 goodwill on acquisitions written off. In 1976 there was a £86,036 exchange profit and £134,673 goodwill on acquisitions written off.

Since the close of the financial year, trading has continued at the high level established in 1977 and it is reasonable to expect that the results for 1978 will again be satisfactory, say the directors.

Looking further ahead, recent acquisitions (Whitmore-Northway and South Coast Motors), extensions to the paper merchandising facilities at a cost of approximately £1m, plus acquisitions in the pipeline, augur well for subsequent years, given reasonably stable conditions in the other major interests of the group.

● comment

After another good performance with pre-tax profits 35.6 per cent. ahead, Marshall's Universal may have to settle for a year of consolidation in 1978. First quarter sales are only marginally up on the same period last year while extensions costing £1m in the paper merchandising operation will not be ready until next February. Import quotas in East Africa, where the exclusive Peugeot franchise helped bring in profits last year of £2.5m, were mainly responsible for the second-half slowdown though new quotas have recently been agreed with Tanzania opening up that market for the first time in four years. In the U.K. motors and components prospered but margins in the paper and paper board divisions have been squeezed by virtually stagnant prices. Margins, however, should pick up this year if demand increases as expected. Components, where Marshall's sales volume rose 14 per cent., are currently enjoying a boom but this may not last as others jump on the bandwagon. In a tight market the shares fell 6p to 100p and on a p/e of 3.1 they yield 6.8 per cent.

Second half downturn at Photax

After a marginal increase from £146,000 to £152,000 in the first half, pre-tax profits of Photax (London) finished 1977 down from £302,174 to £222,429 on lower sales of £3,355m. compared with £3,64m. Earnings are given as 5.2p (7.37p) per 25p share and the dividend is 3.25p (2.43p) net with a final of 1.82p.

In her annual statement, Mrs. E. L. Jacobs, the chairman, says that consumer buying was affected by the generally depressed

any one time, and that it will greatly enhance the prospects for growth and profit of the new group in the coming years.

He adds that "this exciting development has boosted the morale of everyone and gives us the opportunity to look forward to the years ahead with great confidence."

As reported on April 1, after crediting £220,877 in respect of the pre-tax profit for 1977 came to £2,97m. compared with a restated £2,94m. which included £0.3m. awards, less tax. Originally a surplus of £0.61m. was reported for 1976.

On a CCA basis, following the Hyde guidelines, pre-tax profit is £2,465,026, cost of sales adjustment £26,825 less a gearing adjustment £74,540.

The chairman says that the company largely maintained the volume of sales of milk and other goods during the year, despite increased prices.

Mr. Gordon Clifford, the chairman of Dairies, tells of his annual statement that the merger with County Dairies is by far the largest extension the company has made at

any one time, and that it will greatly enhance the prospects for growth and profit of the new group in the coming years.

He adds that "this exciting development has boosted the morale of everyone and gives us the opportunity to look forward to the years ahead with great confidence."

As reported on April 1, after crediting £220,877 in respect of the pre-tax profit for 1977 came to £2,97m. compared with a restated £2,94m. which included £0.3m. awards, less tax. Originally a surplus of £0.61m. was reported for 1976.

On a CCA basis, following the Hyde guidelines, pre-tax profit is £2,465,026, cost of sales adjustment £26,825 less a gearing adjustment £74,540.

The chairman says that the company largely maintained the volume of sales of milk and other goods during the year, despite increased prices.

Mr. Gordon Clifford, the chairman of Dairies, tells of his annual statement that the merger with County Dairies is by far the largest extension the company has made at

W. H. Smith in strong position

IN HIS annual statement Mr. Peter Bennett, the chairman of W. H. Smith and Son (Holdings), says that the company is strong financially and has the ability to adapt and profit from change.

A large proportion of profit accrues in the last quarter of the year and there are additional factors, some financial, some trading, which are likely to accentuate this trend in the current year, he adds.

As reported on April 6, pre-tax profits rose from £15.63m. to £20.17m. in the year to January 28, 1978, on sales of £394m. (£324m.). The directors point out that sales last through industrial disputes exceeded £2m. against £1.25m. in 1976-77.

At the year end there was a decrease in cash of £388,000 (£173,000) and an increase in short term investments of £3.55m. (£3.13m.).

Inflation adjusted accounts show pre-tax profits of £13.29m. after adjustments for depreciation £11.26m. cost of sales £3.1m. and gearing £0.7m.

The interim dividend is lifted from 1.225p to 2p net per 25p share to reduce disparity with the final. Last year's final was 3.475p and full year pre-tax revenue came to £2.88m. At the half-year end the net asset value per share was 196p (184p) at September 30, 1977.

Downturn for Clement Clarke

Pre-tax profit of Clement Clarke (Holdings) for 1977 was down from £57,719 to £27,196 after a midway fall from £425,000 to £388,000. Turnover for the year was up at £7.46m. compared with £6.5m.

Earnings per 25p share are shown as 8.47p (9.71p) and the dividend is increased to 2.1625p (1.3375p) with a net final of 1.225p. The net profit came out at £408,606 against £380,341 after tax of £470,990 (£577,178). The company trades as a dispensing optician.

Midterm rise at Drayton Consolidated

Revenue of Drayton Consolidated Trust rose from £1.21m. to £1.26m. in the half-year in March 31, 1978 subject to tax of £0.3m. (£0.31m.).

The interim dividend is lifted from 1.225p to 2p net per 25p share to reduce disparity with the final. Last year's final was 3.475p and full year pre-tax revenue came to £2.88m. At the half-year end the net asset value per share was 196p (184p) at September 30, 1977.

NURDIN LTD PEACOCK

THE Cash and Carry WHOLESALE

PRELIMINARY ANNOUNCEMENT

	1977	1976
Dividends		
Ordinary shares, proposed*	1.0529p per share	0.935p per share
Supplementary for 1976, proposed*	—	0.0144p per share
* Payable on 7th July, 1978, to shareholders on register at close of business on 6th June, 1978.		
Already paid	0.70p per share	0.715p per share
Making a total of	1.7529p per share	1.6544p per share
Turnover	1977 £14,085,000	1976 £10,728,000
Profit before taxation	4,866	4,067
Taxation	2,243	522
Profit after taxation	2,623	3,545
Amounts absorbed (net of waivers)		
(i) By Preference dividends paid and provided	3	3
(ii) By Ordinary dividends paid and proposed	504	428
	507	431
Earnings per share before taxation	16.9p	14.1p
Earnings per share after taxation	8.1p	12.3p

* The figures for 1976 have been re-stated to reflect the changes in accounting policy referred to in the Chairman's Statement. The retained profits of the Company have been adjusted as follows:—

	1977	(Re-stated) 1976
Retained profits brought forward as previously reported	943	590
Prior year adjustments	2,946	2,324
Deferred taxation	(519)	(448)
Depreciation of freehold buildings	—	—
As re-stated	4,370	2,466

STATEMENT BY THE CHAIRMAN

Mr. J. A. Peacock, C.M.G.

It is my pleasure to report that the tenth year's trading of our Company as a Public Company once again shows record sales and profits. Sales of £14,085,000 show an increase of £43,357,000 over the figure of £10,728,000 for the previous year. Profits of £4,866,000 before taxation (£2,623,000 after taxation) show an increase of £909,000 over the restated previous year's figure of £4,067,000 before taxation (£2,535,000 after taxation). You will see from the Notes to the Accounts that two changes in accounting policies have been made this year. The first is a decision to provide depreciation on the freehold properties, based on their historical cost, the second to provide for the deferred tax liability on stock increases only to the extent that the tax is likely to become payable within the foreseeable future. The depreciation charge on freehold properties amounts to £80,000 for 1977 and £519,000 for prior years; the change in the deferred tax treatment has resulted in a write back to profit of £3,846,000 for prior years and no provision for 1977 (on the previous basis £300,000 would be required). The transfer to General Reserve of £3,400,000 reflects the net adjustment relating to prior years.

The corporation tax payable on this year's profits is £1,583,000, which compares with £239,300 payable last year. The increase reflects the considerably lower rate of stock increases compared with the previous year and the fall in the rate of inflation in the U.K.

Your Directors are recommending a final dividend of 1.0529p per share. This, together with the interim dividend of 0.70p per share already paid makes a total for the year of 1.7529p per share. They are also recommending a supplementary dividend of 0.0144p per share for 1976 to enable shareholders to take full advantage of the reduction in the rate of tax credit which affected their final dividend for that year. The total dividends of 1.7673p for 1977 compare with the equivalent of 3.3288p for 1976 (1.6844p per share after adjusting for the scrip issue in 1977) being the maximum allowed under current legislation.

We opened one new Branch in May 1977 at Nottingham and this has traded from the start at a very good level. A great deal of work has been done in most of the other Branches during the year to enable them to achieve higher sales and our mini-computer system was installed in a further six Branches. Seven more systems will be installed this year by which stage the total capital expenditure on these British designed systems will have amounted to £1.25 million. With regard to expansion, the Peterborough extension mentioned in my interim Statement is nearing completion and should be operational by the time you read this. We have purchased the freehold of a building

at Plymouth. This has to be altered and extended but should be open for trading by the end of this year with a total area of 68,000 sq. ft. Negotiations are at an advanced stage for two other sites, one in a new area and one to replace an existing Branch. We continue to search for suitable opportunities for steady expansion.

Our customers, particularly on the grocery side, have undoubtedly been affected by the current price war between the major multiples. This has made them very cost conscious and our policy of providing deep price cuts, backed up by promotional material, has been very much appreciated as is evidenced by our higher sales, 17% up in the first four months of this year and the increased number of special point of sale kits being used by them. These efforts to help our customers through this difficult period have inevitably resulted in lower gross and net margins.

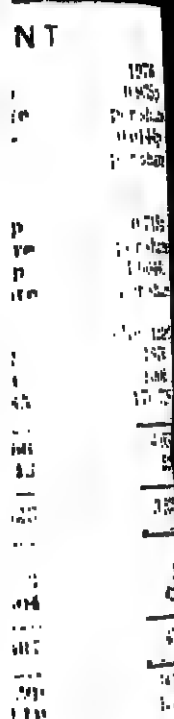
Another factor which has changed radically over a year ago is the rate of inflation and whereas this has gone up considerably faster than our expenses over the last two to three years, the opposite is now the case. We were very sad to lose an old friend and colleague, Mr. A. E. Carter, early this year. He was an Associate Director and had been with your Company for over 55 years. He died after a very short illness. I am also very sorry to have to report the retirement of Mr. A. E. Pickard from the Board. 'Pick', as he was affectionately known throughout the trade, had been with your Company for over 61 years and effectively ran it for 14 years during and after the war when I was in the Ministry of Food. Mr. W. M. Peacock was appointed Deputy Chairman in January and Mr. G. A. King and Mr. T. V. Grimwood have been appointed as Joint Managing Directors.

To make a forecast in this Business is never easy but this year must be more difficult than most. On the one hand we have the tax concessions in the Budget with the increased spending power that should mean that we are better placed than ever to take advantage of this by the decision taken in the past to build larger, better equipped Branches. On the other hand the price war shows no sign of abating and it is impossible to say how long it will continue. We are determined to help our customers stay in business and although this may mean thinner margins for a period, we are confident that for the medium to longer term this will be in the best interests of all concerned.

Finally, as always I want to pay tribute to our 'N & P' staff, both for their work during the past year and for their enthusiasm and determination to keep 'N & P' in the forefront of the Cash and Carry movement. I am sure you would wish to add your thanks to those of your Board.

Head Office: Bushey Road, Raynes Park, SW20 0JJ. Tel. 01-946 9111

هكذا منة الأمل



1947
1948
1949
1950
1951
1952
1953
1954
1955
1956
1957
1958
1959
1960
1961
1962
1963
1964
1965
1966
1967
1968
1969
1970
1971
1972
1973
1974
1975
1976
1977
1978
1979
1980
1981
1982
1983
1984
1985
1986
1987
1988
1989
1990
1991
1992
1993
1994
1995
1996
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
2030
2031
2032
2033
2034
2035
2036
2037
2038
2039
2040
2041
2042
2043
2044
2045
2046
2047
2048
2049
2050
2051
2052
2053
2054
2055
2056
2057
2058
2059
2060
2061
2062
2063
2064
2065
2066
2067
2068
2069
2070
2071
2072
2073
2074
2075
2076
2077
2078
2079
2080
2081
2082
2083
2084
2085
2086
2087
2088
2089
2090
2091
2092
2093
2094
2095
2096
2097
2098
2099
2100
2101
2102
2103
2104
2105
2106
2107
2108
2109
2110
2111
2112
2113
2114
2115
2116
2117
2118
2119
2120
2121
2122
2123
2124
2125
2126
2127
2128
2129
2130
2131
2132
2133
2134
2135
2136
2137
2138
2139
2140
2141
2142
2143
2144
2145
2146
2147
2148
2149
2150
2151
2152
2153
2154
2155
2156
2157
2158
2159
2160
2161
2162
2163
2164
2165
2166
2167
2168
2169
2170
2171
2172
2173
2174
2175
2176
2177
2178
2179
2180
2181
2182
2183
2184
2185
2186
2187
2188
2189
2190
2191
2192
2193
2194
2195
2196
2197
2198
2199
2200
2201
2202
2203
2204
2205
2206
2207
2208
2209
2210
2211
2212
2213
2214
2215
2216
2217
2218
2219
2220
2221
2222
2223
2224
2225
2226
2227
2228
2229
2230
2231
2232
2233
2234
2235
2236
2237
2238
2239
2240
2241
2242
2243
2244
2245
2246
2247
2248
2249
2250
2251
2252
2253
2254
2255
2256
2257
2258
2259
2260
2261
2262
2263
2264
2265
2266
2267
2268
2269
2270
2271
2272
2273
2274
2275
2276
2277
2278
2279
2280
2281
2282
2283
2284
2285
2286
2287
2288
2289
2290
2291
2292
2293
2294
2295
2296
2297
2298
2299
2300
2301
2302
2303
2304
2305
2306
2307
2308
2309
2310
2311
2312
2313
2314
2315
2316
2317
2318
2319
2320
2321
2322
2323
2324
2325
2326
2327
2328
2329
2330
2331
2332
2333
2334
2335
2336
2337
2338
2339
2340
2341
2342
2343
2344
2345
2346
2347
2348
2349
2350
2351
2352
2353
2354
2355
2356
2357
2358
2359
2360
2361
2362
2363
2364
2365
2366
2367
2368
2369
2370
2371
2372
2373
2374
2375
2376
2377
2378
2379
2380
2381
2382
2383
2384
2385
2386
2387
2388
2389
2390
2391
2392
2393
2394
2395
2396
2397
2398
2399
2400
2401
2402
2403
2404
2405
2406
2407
2408
2409
2410
2411
2412
2413
2414
2415
2416
2417
2418
2419
2420
2421
2422
2423
2424
2425
2426
2427
2428
2429
2430
2431
2432
2433
2434
2435
2436
2437
2438
2439
2440
2441
2442
2443
2444
2445
2446
2447
2448
2449
2450
2451
2452
2453
2454
2455
2456
2457
2458
2459
2460
2461
2462
2463
2464
2465
2466
2467
2468
2469
2470
2471
2472
2473
2474
2475
2476
2477
2478
2479
2480
2481
2482
2483
2484
2485
2486
2487
2488
2489
2490
2491
2492
2493
2494
2495
2496
2497
2498
2499
2500
2501
2502
2503
2504
2505
2506
2507
2508
2509
2510
2511
2512
2513
2514
2515
2516
2517
2518
2519
2520
2521
2522
2523
2524
2525
2526
2527
2528
2529
2530
2531
2532
2533
2534
2535
2536
2537
2538
2539
2540
2541
2542
2543
2544
2545
2546
2547
2548
2549
2550
2551
2552
2553
2554
2555
2556
2557
2558
2559
2560
2561
2562
2563
2564
2565
2566
2567
2568
2569
2570
2571
2572
2573
2574
2575
2576
2577
2578
2579
2580
2581
2582
2583
2584
2585
2586
2587
2588
2589
2590
2591
2592
2593
2594
2595
2596
2597
2598
2599
2600
2601
2602
2603
2604
2605
2606
2607
2608
2609
2610
2611
2612
2613
2614
2615
2616
2617
2618
2619
2620
2621
2622
2623
2624
2625
2626
2627
2628
26

Both on the ground, and 5000 feet above it.

BAYER UK LIMITED, BAYER HOUSE, RICHMOND, SURREY TW9 1SJ.

DIVISIONS AGROCHEM: CROP PROTECTION & VETERINARY, DYE/STUFFS, FIBRES, INORGANICS, ORGANICS, PHARMACEUTICAL, PHARMACEUTICALS, DENTAL & CONSUMER PRODUCTS, PLASTICS & SURFACE COATINGS, POLYURETHANE, RUBBER

INTERNATIONAL FINANCIAL AND COMPANY NEWS

Chrysler Australia to cut 1,100 jobs

BY JAMES FORTH

CHRYSLER AUSTRALIA intends to sack 1,100 workers over the next 18 months, about 20 per cent of the existing workforce, in an effort to return to profits. The group, which incurred a loss of almost £425m. (\$653.31m.)—more than the company's capital—was also aiming at a "major programme of restructuring and rationalisation" which, it appears, will mean greater emphasis on assembly than on manufacturing.

The Australian move comes only shortly after the U.S. parent, Chrysler reported a \$US120m. loss in the first quarter of 1978, but the local management insist that their decision is not the result of orders from overseas.

Chrysler has already reduced its workforce by about 1,500 over the past year. The latest proposed cutbacks would reduce the total workforce to about 4,000.

The shock announcement followed a meeting to-day between Chrysler and representatives of six car industry unions on the future of the company. There has been public speculation recently on whether Chrysler can survive after its latest loss, and the depressed state of the local motor vehicle market.

The Federal Opposition Leader, Mr. W. (Bibi) Hayden was censured in Parliament this week for inferring that Chrysler may be forced to close down.

Mitsubishi Motor Corporation of Japan is currently negotiating to take an equity—said to be around 18 per cent—in the Australian automotive industry. Union officials were told these talks were continuing but no details were available yet.

Chrysler's managing director Mr. T. J. Anderson, said of the latest move that the Australian automotive industry was experiencing an extremely difficult period of transition.

"The industry is moving away from traditional concepts of a motor vehicle manufacturer to ever rapidly changing con-

sumer preferences towards smaller, lighter and more economical cars.

"Chrysler Australia realises that to ensure the company's success in future years a major programme of restructuring and rationalisation is required to achieve improved productivity and efficiency.

"To realise these objectives the company is placing less emphasis on the pressing of exterior sheet metal panels and concentrating its resources on casting, machining, and limited stamping activities and increasingly efficient vehicle assembly," Mr. Anderson said.

The Chrysler management plans to meet union officials again to discuss the details of retrenchment.

The South Australian secretary of the Vehicle Builders' Union, Mr. Dominic Foreman said that the union had been told the six cylinder Valiant vehicle—the group's mainstay for many years—would eventually be replaced.

"They told us they were not sure

whether it would be replaced by a local content vehicle or a fully imported one," he said.

Chrysler's main hopes now are pinned on the four cylinder Signa, which it assembles from Mitsubishi components. Since it was released last October, Chrysler has relied on the high local content of the Valiant range to meet the overall rules on 85 per cent local content and enable it to escape high tariff rates on many of its imports.

Chrysler has invested in a plant to produce a four-cylinder engine which will count towards local content and allow the import of much of the body panels which are costly to produce locally.

The Australian motor vehicle market is currently depressed—1977 was one of the worst years ever with total registrations down 7 per cent, to 603,000 vehicles. There was no improvement in the first quarter of 1978 and the industry has been lobbying for a cut in vehicle sales tax to boost sales.

SYDNEY, May 3.

Other motor vehicle companies have also been hit. General Motors-Holden's incurred a loss of \$A8.4m. (\$US9.5m.) in 1977—its first deficit since starting local manufacturing operations in 1945—while Ford managed to record a slight profit.

The Government maintains a quota system which guarantees at least 80 per cent of the domestic market for local manufacturers until 1979, and has indicated this will be extended if necessary. The Government is also considering whether to extend this quota and local content plan to cover light commercial vehicles, which have been making inroads into passenger vehicle sales.

Kemtron sale

Kemtron is to sell its 60 per cent holding in Conqueror Cables to the L. M. Ericsson group, making Conqueror a wholly owned Ericsson unit, reports Reuters from Melbourne. The consortium, together with repayments of shareholder loans, will total \$A4m. Kemtron said.

CRA and Korf study \$A100m. steel mill

By Our Own Correspondent

SYDNEY, May 3.

CONKING RIOTINTO of Australia—the local offshoot of the U.S. group Rio Tinto-Zinc Corporation—is considering building a \$A100m. "mini" steel mill in Australia in association with the Korf group of West Germany. If the venture goes ahead the project will break the monopoly in steel production held by Broken Hill Proprietary Company. However, BHP has a steel capacity of about 5m. tonnes a year, while the proposed steel mill would only have an output of around 200,000 tonnes of steel a year.

The directors of CRA announced that a major feasibility study had been started which was expected to be finished by the end of the year. It is a favourable construction could start then and would take about two years.

The partners are considering siting the plant near the Victorian city of Geelong. Victoria had been selected because it was the only state with a surplus of scrap metal to be used as the feedstock. There are also available workforces as Geelong had one of the highest unemployment rates in the country.

If the mill goes ahead, the Korf group, which owns several similar plants in Europe and the U.S., is likely to take a direct interest of between 20 per cent and 30 per cent. Federal and State Government approval has already been secured.

Several foreign steelmakers have looked at establishing a plant in Australia over the past decade, but to date none have come to fruition. CRA and its iron ore offshoot, Hamersley Holdings have been involved in some of these projects.

Hamersley and CRA is in fact has commitments to submit proposals to the Western Australian Government by mid-1980 for an integrated iron and steel industry in the state, to be operating by 1981.

Among the groups which had considered setting up in Australia were Arco, Kaiser Steel, Bethlehem Steel of the U.S., and August Thyssen of West Germany. BHP itself was looking at a 10m. tonnes a year "jumbo" steelworks in WA, which would include Amax, Mitsui, Sumitomo, Kawasaki, Republic Steel, British Steel, and GKN. At one stage CRA and Hamersley sought to join the jumbo venture, which has now been shelved.

Assoc. Japanese lifts payout

Financial Times Reporter

PRE-TAX profits of Associated Japanese Bank (International) rose from £3.07m. to £3.17m. for the year ended February 28 last. Assets increased slightly to £439m. from £431m. The annual dividend is being increased from 4 per cent to 5 per cent.

Associated Japanese Bank (International), which was formed in 1970, is owned equally by the Sanwa Bank, the Dai-ichi Kangyo Bank and the Nomura Securities Company, whose combined assets well exceeded the equivalent of U.S.\$130bn. The bank's principal activities are in international banking with a special emphasis on Euro-currency finance.

SELECTED EURODOLLAR BOND PRICES MID-DAY INDICATIONS

STRAIGHTS	Rate	Offer	DM BONDS	Rate	Offer
Alcan 1980	97 1/2	97 1/2	Alcan 1980	97 1/2	97 1/2
Alcan 1981	97 1/2	97 1/2	Alcan 1981	97 1/2	97 1/2
Alcan 1982	97 1/2	97 1/2	Alcan 1982	97 1/2	97 1/2
Alcan 1983	97 1/2	97 1/2	Alcan 1983	97 1/2	97 1/2
Alcan 1984	97 1/2	97 1/2	Alcan 1984	97 1/2	97 1/2
Alcan 1985	97 1/2	97 1/2	Alcan 1985	97 1/2	97 1/2
Alcan 1986	97 1/2	97 1/2	Alcan 1986	97 1/2	97 1/2
Alcan 1987	97 1/2	97 1/2	Alcan 1987	97 1/2	97 1/2
Alcan 1988	97 1/2	97 1/2	Alcan 1988	97 1/2	97 1/2
Alcan 1989	97 1/2	97 1/2	Alcan 1989	97 1/2	97 1/2
Alcan 1990	97 1/2	97 1/2	Alcan 1990	97 1/2	97 1/2
Alcan 1991	97 1/2	97 1/2	Alcan 1991	97 1/2	97 1/2
Alcan 1992	97 1/2	97 1/2	Alcan 1992	97 1/2	97 1/2
Alcan 1993	97 1/2	97 1/2	Alcan 1993	97 1/2	97 1/2
Alcan 1994	97 1/2	97 1/2	Alcan 1994	97 1/2	97 1/2
Alcan 1995	97 1/2	97 1/2	Alcan 1995	97 1/2	97 1/2
Alcan 1996	97 1/2	97 1/2	Alcan 1996	97 1/2	97 1/2
Alcan 1997	97 1/2	97 1/2	Alcan 1997	97 1/2	97 1/2
Alcan 1998	97 1/2	97 1/2	Alcan 1998	97 1/2	97 1/2
Alcan 1999	97 1/2	97 1/2	Alcan 1999	97 1/2	97 1/2
Alcan 2000	97 1/2	97 1/2	Alcan 2000	97 1/2	97 1/2

NOTES	Rate	Offer	DM BONDS	Rate	Offer
Alcan 1980	97 1/2	97 1/2	Alcan 1980	97 1/2	97 1/2
Alcan 1981	97 1/2	97 1/2	Alcan 1981	97 1/2	97 1/2
Alcan 1982	97 1/2	97 1/2	Alcan 1982	97 1/2	97 1/2
Alcan 1983	97 1/2	97 1/2	Alcan 1983	97 1/2	97 1/2
Alcan 1984	97 1/2	97 1/2	Alcan 1984	97 1/2	97 1/2
Alcan 1985	97 1/2	97 1/2	Alcan 1985	97 1/2	97 1/2
Alcan 1986	97 1/2	97 1/2	Alcan 1986	97 1/2	97 1/2
Alcan 1987	97 1/2	97 1/2	Alcan 1987	97 1/2	97 1/2
Alcan 1988	97 1/2	97 1/2	Alcan 1988	97 1/2	97 1/2
Alcan 1989	97 1/2	97 1/2	Alcan 1989	97 1/2	97 1/2
Alcan 1990	97 1/2	97 1/2	Alcan 1990	97 1/2	97 1/2
Alcan 1991	97 1/2	97 1/2	Alcan 1991	97 1/2	97 1/2
Alcan 1992	97 1/2	97 1/2	Alcan 1992	97 1/2	97 1/2
Alcan 1993	97 1/2	97 1/2	Alcan 1993	97 1/2	97 1/2
Alcan 1994	97 1/2	97 1/2	Alcan 1994	97 1/2	97 1/2
Alcan 1995	97 1/2	97 1/2	Alcan 1995	97 1/2	97 1/2
Alcan 1996	97 1/2	97 1/2	Alcan 1996	97 1/2	97 1/2
Alcan 1997	97 1/2	97 1/2	Alcan 1997	97 1/2	97 1/2
Alcan 1998	97 1/2	97 1/2	Alcan 1998	97 1/2	97 1/2
Alcan 1999	97 1/2	97 1/2	Alcan 1999	97 1/2	97 1/2
Alcan 2000	97 1/2	97 1/2	Alcan 2000	97 1/2	97 1/2

STERLING BONDS	Rate	Offer	DM BONDS	Rate	Offer
Alcan 1980	97 1/2	97 1/2	Alcan 1980	97 1/2	97 1/2
Alcan 1981	97 1/2	97 1/2	Alcan 1981	97 1/2	97 1/2
Alcan 1982	97 1/2	97 1/2	Alcan 1982	97 1/2	97 1/2
Alcan 1983	97 1/2	97 1/2	Alcan 1983	97 1/2	97 1/2
Alcan 1984	97 1/2	97 1/2	Alcan 1984	97 1/2	97 1/2
Alcan 1985	97 1/2	97 1/2	Alcan 1985	97 1/2	97 1/2
Alcan 1986	97 1/2	97 1/2	Alcan 1986	97 1/2	97 1/2
Alcan 1987	97 1/2	97 1/2	Alcan 1987	97 1/2	97 1/2
Alcan 1988	97 1/2	97 1/2	Alcan 1988	97 1/2	97 1/2
Alcan 1989	97 1/2	97 1/2	Alcan 1989	97 1/2	97 1/2
Alcan 1990	97 1/2	97 1/2	Alcan 1990	97 1/2	97 1/2
Alcan 1991	97 1/2	97 1/2	Alcan 1991	97 1/2	97 1/2
Alcan 1992	97 1/2	97 1/2	Alcan 1992	97 1/2	97 1/2
Alcan 1993	97 1/2	97 1/2	Alcan 1993	97 1/2	97 1/2
Alcan 1994	97 1/2	97 1/2	Alcan 1994	97 1/2	97 1/2
Alcan 1995	97 1/2	97 1/2	Alcan 1995	97 1/2	97 1/2
Alcan 1996	97 1/2	97 1/2	Alcan 1996	97 1/2	97 1/2
Alcan 1997	97 1/2	97 1/2	Alcan 1997	97 1/2	97 1/2
Alcan 1998	97 1/2	97 1/2	Alcan 1998	97 1/2	97 1/2
Alcan 1999	97 1/2	97 1/2	Alcan 1999	97 1/2	97 1/2
Alcan 2000	97 1/2	97 1/2	Alcan 2000	97 1/2	97 1/2

STERLING BONDS	Rate	Offer	DM BONDS	Rate	Offer
Alcan 1980	97 1/2	97 1/2	Alcan 1980	97 1/2	97 1/2
Alcan 1981	97 1/2	97 1/2	Alcan 1981	97 1/2	97 1/2
Alcan 1982	97 1/2	97 1/2	Alcan 1982	97 1/2	97 1/2
Alcan 1983	97 1/2	97 1/2	Alcan 1983	97 1/2	97 1/2
Alcan 1984	97 1/2	97 1/2	Alcan 1984	97 1/2	97 1/2
Alcan 1985	97 1/2	97 1/2	Alcan 1985	97 1/2	97 1/2
Alcan 1986	97 1/2	97 1/2	Alcan 1986	97 1/2	97 1/2
Alcan 1987	97 1/2	97 1/2	Alcan 1987	97 1/2	97 1/2
Alcan 1988	97 1/2	97 1/2	Alcan 1988	97 1/2	97 1/2
Alcan 1989	97 1/2	97 1/2	Alcan 1989	97 1/2	97 1/2
Alcan 1990	97 1/2	97 1/2	Alcan 1990	97 1/2	97 1/2
Alcan 1991	97 1/2	97 1/2	Alcan 1991	97 1/2	97 1/2
Alcan 1992	97 1/2	97 1/2	Alcan 1992	97 1/2	97 1/2
Alcan 1993	97 1/2	97 1/2	Alcan 1993	97 1/2	97 1/2
Alcan 1994	97 1/2	97 1/2	Alcan 1994	97 1/2	97 1/2
Alcan 1995	97 1/2	97 1/2	Alcan 1995	97 1/2	97 1/2
Alcan 1996	97 1/2	97 1/2	Alcan 1996	97 1/2	97 1/2
Alcan 1997	97 1/2	97 1/2	Alcan 1997	97 1/2	97 1/2
Alcan 1998	97 1/2	97 1/2	Alcan 1998	97 1/2	97 1/2
Alcan 1999	97 1/2	97 1/2	Alcan 1999	97 1/2	97 1/2
Alcan 2000	97 1/2	97 1/2	Alcan 2000	97 1/2	97 1/2

STERLING BONDS	Rate	Offer	DM BONDS	Rate	Offer
Alcan 1980	97 1/2	97 1/2	Alcan 1980	97 1/2	97 1/2
Alcan 1981	97 1/2	97 1/2	Alcan 1981	97 1/2	97 1/2
Alcan 1982	97 1/2	97 1/2	Alcan 1982	97 1/2	97 1/2
Alcan 1983	97 1/2	97 1/2	Alcan 1983	97 1/2	97 1/2
Alcan 1984	97 1/2	97 1/2	Alcan 1984	97 1/2	97 1/2
Alcan 1985	97 1/2	97 1/2	Alcan 1985	97 1/2	97 1/2
Alcan 1986	97 1/2	97 1/2	Alcan 1986	97 1/2	97 1/2
Alcan 1987	97 1/2	97 1/2	Alcan 1987	97 1/2	97 1/2
Alcan 1988	97 1/2	97 1/2	Alcan 1988	97 1/2	97 1/2
Alcan 1989	97 1/2	97 1/2	Alcan 1989	97 1/2	97 1/2
Alcan 1990	97 1/2	97 1/2	Alcan 1990	97 1/2	97 1/2
Alcan 1991	97 1/2	97 1/2	Alcan 1991	97 1/2	97 1/2
Alcan 1992	97 1/2	97 1/2	Alcan 1992	97 1/2	97 1/2
Alcan 1993	97 1/2	97 1/2	Alcan 1993	97 1/2	97 1/2
Alcan 1994	97 1/2	97 1/2	Alcan 1994	97 1/2	97 1/2
Alcan 1995	97 1/2	97 1/2	Alcan 1995	97 1/2	97 1/2
Alcan 1996	97 1/2	97 1/2	Alcan 1996	97 1/2	97 1/2
Alcan 1997	97 1/2	97 1/2	Alcan 1997	97 1/2	97 1/2
Alcan 1998	97 1/2	97 1/2	Alcan 1998	97 1/2	97 1/2
Alcan 1999	97 1/2	97 1/2	Alcan 1999	97 1/2	97 1/2
Alcan 2000	97 1/2	97 1/2	Alcan 2000	97 1/2	97 1/2

U.S. \$25,000,000
Floating Rate Notes due 1983

In accordance with the provisions of the Notes, notice is hereby

INTERNATIONAL FINANCIAL AND COMPANY NEWS

NORTH AMERICAN NEWS

Largest REIT in America defaults

By David Lascelles

NEW YORK, May 3 THE lingering effects of the collapse of the U.S. property boom made themselves felt yesterday with the announcement that Chase Manhattan Mortgage and Realty Trust, the largest real estate investment trust (REIT) in the country, had defaulted on more than \$350-million of notes.

The trust, which was launched by Chase Manhattan Bank but is not part of the bank, was known to have been in difficulty for some time. However, it still hopes to come to an arrangement with its creditors, which include the Chase Manhattan Bank and other major banks.

The crunch came on Monday when the Chase trust failed to repay \$36.7m. of 7 1/2 per cent. notes plus \$1.4m. of interest due on that day. The default came as no surprise, since it had been foreseen by the trust's management following the company's well publicised financial difficulties.

The Chase trust was formed in 1970 with the help of the Chase Manhattan Bank as a short term mortgage lender, and went from strength to strength on the back of the property boom until 1975, when values fell. The trust last paid a dividend in June 1975, and has since then been struggling with heavy debts and losses.

Gt. Southern suitor rejects alternative bid

McLEAN, May 3. **EQUITABLE** General Corporation which last month entered a definitive agreement to be merged into Great Southern Corporation of Houston said today that Gulf United Corporation and its subsidiary Gulf Life Insurance each had made offers to buy all Equitable General's outstanding common shares.

However, Equitable General said the new offers were rejected by its Board "in view of the fact that Equitable General had already entered into the definitive agreement with Great Southern."

The Gulf Life Insurance offer proposed the purchase of all of Equitable General's outstanding common at \$45 a share, payable either in cash or in 8 1/2 per cent. installment notes.

As an alternate offer, Gulf United, the parent of Gulf Life Insurance, proposed the purchase of a minimum of 1.3m. shares of Equitable General common at \$45 a share in cash. The Gulf United offer would be contingent upon acceptance by the holders of 1m. Equitable General common shares, and those shareholders whose stock was not purchased for cash would exchange each share they held of Equitable General common into one share of a new series of Gulf United convertible preferred stock with a liquidation value of \$45 a share. AP-J

VONTSEL EUROBOND INDICES			
PRICE INDEX	25.478	25.778	25.778
DM Bonds	106.51	105.98	105.98
Yfr. Bonds & Notes	106.51	105.98	105.98
U.S. 3 Mtr. Bonds	100.44	100.18	100.18
Can. Dollar Bonds	98.87	98.47	98.47

AVERAGE YIELD			
DM Bonds	6.49	6.49	6.49
Yfr. Bonds & Notes	7.70	7.70	7.70
U.S. 3 Mtr. Bonds	8.610	8.624	8.624
Can. Dollar Bonds	9.515	9.495	9.495

CANADIAN PACIFIC			
First Quarter	1978	1977	1976
Revenue	85.0m.	81.0m.	81.0m.
Net profits	6.0m.	5.0m.	5.0m.
Net per share	0.88	0.70	0.70

CONS. NATURAL GAS			
First Quarter	1978	1977	1976
Revenue	633.0m.	548.0m.	548.0m.
Net profits	59.0m.	62.0m.	62.0m.
Net per share	2.09	2.20	2.20

GULF RESOURCES & CHEM.			
First Quarter	1978	1977	1976
Revenue	85.0m.	80.0m.	80.0m.
Net profits	1.0m.	5.0m.	5.0m.
Net per share	0.05	0.57	0.57

HALLIBURTON			
First Quarter	1978	1977	1976
Revenue	1.4m.	1.2m.	1.2m.
Net profits	79.0m.	68.0m.	68.0m.
Net per share	1.34	1.16	1.16

INT. FLAVORS & FRAGRANCES			
First Quarter	1978	1977	1976
Revenue	90.0m.	80.0m.	80.0m.
Net profits	14.0m.	11.0m.	11.0m.
Net per share	0.38	0.31	0.31

PIONEER			
First Quarter	1978	1977	1976
Revenue	133.0m.	122.0m.	122.0m.
Net profits	11.0m.	12.0m.	12.0m.
Net per share	1.13	1.25	1.25

QUAKER OATS			
Third Quarter	1978	1977	1976
Revenue	412.0m.	384.0m.	384.0m.
Net profits	30.0m.	18.0m.	18.0m.
Net per share	0.87	0.70	0.70

UNITED ENERGY RESOURCES			
First Quarter	1978	1977	1976
Revenue	527.0m.	402.0m.	402.0m.
Net profits	24.0m.	22.0m.	22.0m.
Net per share	2.08	1.87	1.87

Seven-Up holders expect Philip Morris to lift bid

BY JOHN WYLES

NEW YORK, May 3 Seven-Up has asked first Boston Corporation for advice as to the adequacy of the \$440m. takeover bid by Philip Morris amid indications that investors are anticipating either a rival bid or an increased offer.

In order to secure Seven-Up, Philip Morris has to win acceptance of its offer by the soft drink company's three founding families, who control a little over 45 per cent. of the stock. Altogether 51 per cent. of the company is "closely held," which means that it is in few hands and is owned as a long term investment.

The representatives of the founding families on the Seven-Up board have already said that they do not intend to accept the \$41 a share offer by Philip Morris because it is inadequate. The Board has urged shareholders not to act hastily, because the beer and tobacco company's bid does not expire until May 15 and it expects an opinion from First Boston "in a matter of days."

Mr. Ben H. Wells, the company's chairman, said today that the board would make a recommendation on the tender offer once it had heard from its financial advisers.

If First Boston supports the founding families' view, then the pressure will be on Philip Morris to step up its cash offer. The movement in the company's share price in the over the counter market appears to anticipate a higher offer. The stock surged \$6.75 a share on Monday, and closed another \$3.75 higher at \$40.75 last night.

The Philip Morris offer is worth about 17 times earnings, which is somewhere in the middle of the "going range" for tender offers. Seven-Up revealed on Monday that its first quarter profits had increased by 19 per cent. to \$5.8m. over the same period a year ago. Sales were up 30 per cent. to \$60.3m.

Philip Morris has had impressive success in building up its Miller Brewing subsidiary to be the number two in U.S. sales, and must see Seven-Up as ripe for development as a powerful new rival for Coca-Cola and Pepsi-Cola.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

Globe-Union aims to foil bid

BY OUR OWN CORRESPONDENT

NEW YORK, May 3. GLOBE-UNION INC., the largest manufacturer of car replacement batteries, is trying to stave off a possible takeover bid by U.V. Industries, an oil and minerals producer, by merging with Square D.

Executives of Globe-Union and Square D announced an agreement in principle last night. This follows steadily increasing conflict between Globe Union and U.V. Industries over the latter's acquisition of a 21 per cent. holding in Globe Union. The Wisconsin-based battery manufacturer has already rebuffed a merger approach from U.V. and claims that it is now the target of a takeover attempt and has launched a number of court cases in an attempt to shake itself free of U.V. Industries.

Square D is based in Michigan and is a leading producer of electrical distribution and control equipment. The company made a net profit last year of \$58.8m. on sales of \$611m.

The agreement in principle provides for a share exchange based on a complicated formula linked to the average closing prices of Square D's shares on the New York Stock Exchange in the 10 days prior to the vote of shareholders on the proposed merger.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

However, a shareholder may elect to receive \$37.25 a share for each share owned, up to 45 per cent. of Globe Union's outstanding common. If 45 per cent. of the stock were exchanged in this way, this portion of the transaction would be worth \$104m.

Continental Airlines income upsurge

LOS ANGELES, May 3.

MR. ROBERT F. SIX, chairman of Continental Airlines, said traffic and revenue in the first quarter were both records and that earnings before the gains exceeded the company's first quarter records.

Continental expects "a good year in 1978." Passenger traffic forecasts are up sharply, said Mr. Six, reflecting a new discounted fare structure taking effect on May 15.

Continental's passenger load factor in the quarter was 56.2 per cent. compared with 52.2 per cent. a year earlier.

The company reports a surge in profit at \$23.4m. or \$1.59 a share, for the first quarter against a profit of \$9.9m. for the same period last year, which came out at 6 cents a share. The latest period includes a pre-tax gain of \$20.1m. from involuntary conversion of aircraft giving an after tax effect of \$19.4m. Net before this special item was \$4m., or 27 cents a share.

The company said the 1978 quarter also includes a gain of \$14.000 on purchase of \$1m. of Continental 31 per cent. convertible subordinated debentures. The 1977 quarter includes a \$1.2m. gain from a \$2.6m. debt purchase.

Agencies

Beneficial in U.K.

MR. FINN M. W. CASPERSEN, chairman of Beneficial Corporation, and Mr. Peter M. Bunce, a director of Security Trust Company, of Birmingham, report the acquisition by Beneficial Corporation subsidiary of Security Trust, a company operating in the banking field and formerly owned by Chaco Fund Ltd., AP-JJ report from Wilmington. Security Trust has gross assets currently in excess of \$11.5m. The purchase price was about \$4.6m.

Textron acquisition

Textron and Allegheny Ludlum Industries have agreed in principle to acquire for cash the assets and business of Jacobson Manufacturing of Racine, Wisconsin, a subsidiary of Allegheny. The acquisition is expected to be completed by the end of the month. AP-JJ reports from Providence. Jacobson makes mowers, tractors and other outdoor power equipment.

Pepsico pays more

PEPSICO has raised its quarterly dividend to 25 cents. From 23 cents. Reuter reports from Purchase, New York.

BRIEFLY

Prentice Hall moves ahead

Prentice Hall moves ahead — AMONG COMPANIES reporting a first quarter rise in profit compared with the same period of 1977 was Prentice Hall, which turns in 28 cents a share against the 23 cents previously. Household Finance likewise managed a gain to 55 cents from 44 cents, while Smith International returned \$1.22 against 94 cents.

For its second quarter Mac's had a profit of 37 cents a share against 30 cents for the same period of last year and for its fourth quarter. Computer Sciences showed 28 cents against 27 cents. Showing a gain on the other hand were Standard Brands Paint which reached 40 cents a share for its second quarter against 44 cents, while Kroehler Manufacturing showed a first quarter loss again this time at \$1m. For the same period, Gulf Oil Canada shows 82 cents a share against a related 97 cents.

Louisiana Land and Exploration's first quarter was also lower with 94 cents going against the 74 cents last time. Between the 74 cents last time and the 94 cents, the company was likewise lower with 38 cents against 46 cents.

For its second quarter Mac's had a profit of 37 cents a share against 30 cents for the same period of last year and for its fourth quarter. Computer Sciences showed 28 cents against 27 cents. Showing a gain on the other hand were Standard Brands Paint which reached 40 cents a share for its second quarter against 44 cents, while Kroehler Manufacturing showed a first quarter loss again this time at \$1m. For the same period, Gulf Oil Canada shows 82 cents a share against a related 97 cents.

CANADIAN STEEL MAKERS

Riding the export wave

BY JAMES SCOTT IN TORONTO

WHILE MAJOR steel companies in the United States, Japan and the European Economic Community are experiencing the most serious economic slump since the end of the second World War, Canadian producers have been laughing all the way to the bank — this in spite of the depressed state of Canadian business generally.

The three major Canadian producers have just reported first quarter results ahead of the 1977 level. They have also expressed confidence in the prospects for the next six months at least.

Steel Company of Canada (Stelco), the largest of the three, had a profit of \$22.2m. (\$US22m.) for the three months ended March 31, up from \$22.2m. (\$US22.2m.) in the first quarter of last year, sales were \$241m. (\$US241m.) compared with \$234m. (\$US234m.) in 1977. The company says that the improved results reflected improved demand in both the domestic and export markets.

Dominion Foundries and Steel (Dofasco), the second largest producer, made an even better showing by reporting a profit of \$19.3m. (\$US19.3m.) up from \$14.3m. (\$US14.3m.) in the first quarter of last year. Sales rose to \$248m. (\$US248m.) from \$213m. (\$US213m.) in the first quarter of last year. While ingot production was down very slightly, shipments of flat rolled products and steel castings were the highest for any quarter in the company's history.

For Algoma Steel Corporation the quarter was a complete turnaround from a year ago. Its profit from operations was \$27.7m. (\$US27.7m.), compared with a loss of \$2.7m. in the 1977 period. The improvement was made even though a \$30m. loss had to be absorbed because of a strike at the company's U.S. coal subsidiary.

Including Algoma's 43 per cent. equity in the profit of its associate, Dominion Bridge Company, the first-quarter profit was \$31.3m. (\$US31.3m.) compared with a profit of \$24.9m. a year ago.

Part of the reason for the strong performance of the three companies is the surge of exports to the U.S., but because of the sad state of the industry and moves taken last year against alleged dumping by European and Japanese producers, Canadian producers have not been keen to trumpet their export success.

Export figures for the first quarter of this year are not yet available, but for all of 1977 exports to the U.S. rose by 60 per cent. (by Canadian calculations) to 1.3m. tons. (According to the U.S. statistics the amount was 1.9m. tons.) This surge has continued through the first quarter of this year.

Canadian producers have long been competitive in many U.S. areas because of more efficient plants and higher average levels of utilisation. Now, with the Canadian dollar languishing at around 88 U.S. cents, their products are even more attractive.

While this means that in many cases their prices are well below the trigger levels announced by the U.S. last year, at which dumping inquiries are instigated, the Canadian producers can easily establish they are not selling below domestic prices and thus not dumping. However, the fear has been expressed that the bureaucratic aspects of the trigger price mechanism might be used to hold up Canadian shipments. That has not happened so far, and present projections are for yet another record year of exports to the U.S.

The lower Canadian dollar value also has reduced Canadian imports, leaving more room for the producers to make gains in the domestic market. Even at giveaway prices, foreign producers are finding it hard to make any impact in Canada. The Canadian Steel Service Centre Institute, representing about 70 steel warehouse operations across Canada which handle 88 per cent. of the steel moved through distribution outlets, recently reported that a survey of members showed that foreign carbon steel prices cheaper than Canadian prices were reported by only 6 per cent. of respondents compared with 85 per cent. as recently as last November.

A surge in exports to the U.S. last year continues into the first quarter.

Turnround at Air Canada

BY ROBERT GIBBENS MONTREAL, May 3.

OPERATING economies and reduced high load factors enabled Air Canada, the national airline, to post a profit of \$14.3m. (\$US14.3m.) in the first quarter, against a loss of \$13.5m. a year earlier. It is the first time the airline has issued a quarterly report.

After income taxes net earnings were \$8.2m. The turnround "reflects continuing economies and also improvements in non-operating items," the company said. However, costs are still rising and there is a limit to the extent that fares can be increased without adverse effects on traffic.

Long-term debt of \$33.4m. will shortly be exchanged for 324,000 common shares, reducing Air Canada's fixed interest burden for the year by \$C16.5m. The shares will replace the debt held by the federal government. Air Canada plans to pay dividends on the shares if profitability is maintained.

Approval for Imasco offer

By Our Own Correspondent MONTREAL, May 3.

IMASCO, the major tobacco and food products group controlled by B.A.T. Industries of the U.K., has received federal approval for the takeover of Koffler Stores, the eastern Canada drug retailing chain. The reason given for the approval was that Koffler was unable to find a Canadian buyer hence it opened negotiations with Imasco, and also that Canadian ownership of Imasco will go up from the present level of 41 per cent. to 80 per cent. in the next five years.

Increase for Celanese

By Our Own Correspondent MONTREAL, May 3.

CELANESE Canada, the fibres and carpet group, earned \$C392,000 (some \$US348,000) in the first quarter against \$C334,000 a year earlier. Sales were \$C65m. (\$US58m.) against \$C60m.

Demand is still soft and selling prices are depressed, the company said. Operating losses declined in the carpet division, but demand remains weak. Chemical sales continued strong and production problems have been corrected at Edmonton and Cornwall, Ontario.

The outlook for the rest of the year is for continued improvement, even in textiles operations.

Foreign side lifts Canrow

By Our Own Correspondent MONTREAL, May 3.

CANROW, the steel, cement and plastics products company, earned \$C1.6m. (some \$US1.4m.) or 88 cents a share in the first quarter, against \$C1.4m. or 55 cents a year earlier, on sales up from \$C81m. to \$C89m. (\$US78m.). Sales and earnings of foreign operations were substantially improved. The subsidiaries are mainly located in the U.S. and U.K. and they more than offset a domestic decline. The order backlog at March 31 was \$C207m.

Gulf moving into Beaufort Sea

BY OUR OWN CORRESPONDENT MONTREAL, May 3.

GULF Canada, one of three major oil companies which have developed the existing Mackenzie Delta gas reserves, is moving on its own into Beaufort Sea offshore exploration in the next few years.

The company is recruiting personnel in Calgary to design offshore drilling platforms, both fixed and mobile, and subsea production plants. It already holds substantial offshore acreage in the Beaufort Sea, between the polar icecap and the Mackenzie Delta, and on the southern edge of the Sverdrup Basin, where Dome uses two drillships.

Most of the gas and oil reserves of Beaufort Oils have so far been found.

Gulf confirmed that it could begin its Beaufort Sea effort by 1981, and it believes the potential is good. It is considering designs for floating drilling platforms, self supporting monopads and caissons, as well as already used in the shallow waters by Imperial Oil (Exxon) and Sun Oil.

Gulf is already a participant in the Dome Petroleum exploration effort in the Beaufort Sea. The order backlog at March 31 was \$C207m.

WHITBREAD AND COMPANY, LIMITED

£15,000,000

10 1/2 per cent. Sterling Foreign Currency Bonds 1990

Kleinwort, Benson Limited

Algemene Bank Nederland N.V.

Banque Nationale de Paris

Barclays Bank International Limited

Commerzbank Aktiengesellschaft

Credit Suisse White Weld Limited

Manufacturers Hanover Limited

Salomon Brothers International Limited

Société Générale de Banque S.A.

Swiss Bank Corporation (Overseas) Limited

FRENCH NEWS

Signs of a recovery at Poclain

BY DAVID WHITE

PARIS, May 3.

POCLAIN, the troubled French maker of hydraulic excavators, incurred a sharply heavier loss for 1977 but reports "signs of recovery" since the beginning of the current year.

Consolidated losses widened to Frs.172.5m. in 1977, from Frs.138.5m. the year before. The loss was partly due to disappointing sales, which left parent company turnover 8 per cent. down on the year. But the first quarter of this year had shown a 20 per cent. improvement, compared with the start of 1977.

The parent company's loss last year ballooned to Frs.172.5m. almost three times 1976's figure after the French Government third successive year in the red, partner to resuscitate Poclain. The company said its loss took into account provisions made to cover the deficits of certain subsidiaries and the transfer of some of its European offshoots to Case-Tenneco of the U.S. which acquired 40 per cent. of Poclain last year.

Sharply higher profits are reported by Marcel Dassault-Breguet Aviation maker of the Mirage series of aircraft in which the French government has a one-third stake.

Profits for 1977 at the net level have increased from Frs.170.7m. to Frs.223.9m. (1949m.), a rise of 32 per cent.

Spanish building profits decline

By Robert Graham

MADRID, May 3.

SPAIN'S leading construction and civil engineering group, Dragados y Construcciones, experienced a 23 per cent. drop in net profits to Ptas22.5bn. (\$38m.) in 1977 and has forecast a continued decline in profitability for the coming year.

The construction sector is the hardest hit in the current recession. The Board of Dragados pointed out that investment for the sector declined 25 per cent. in constant terms last year. At the same time wage costs rose 27 per cent. Social security payments were up 24 per cent. against a total of 60m. hours of lost work, producing a decline in productivity of 3.5 per cent.

Of the Ptas22.5bn. (\$38m.) worth of construction work last year, roughly 15 per cent. was accounted for by foreign contracts. These include work on a telephone exchange in Algeria, a shipyard at Bandar Abbas in Iran, a motorway in Venezuela and a steel works in Argentina.

The company anticipates that with the continued recession of home, foreign contracts could account for as much as 20 per cent. of turnover in 1978.

The directors have agreed to put Ptas770m. (\$85m.) aside for reserves. (\$85m.) to cover dividend payments and Ptas.789m. (\$82m.) against taxes.

Foreign operations lend support to IHC-Holland

BY CHARLES BATCHELOR

AMSTERDAM, May 3.

IHC-HOLLAND, the specialised shipbuilding group, expects losses to continue in its Dutch-based dredging and offshore divisions while prospects elsewhere, mainly foreign, are good. The two Dutch-based divisions made an operating loss of Frs.8m. in 1977 (Frs.36m. profit in 1976) while the "investment" division increased its profit by Frs.5m. to Frs.23m. (\$10.4m.).

The "investment" division comprises the companies grouped under the Swiss holding company IHC Inc. — Single Buoy Moorings (SBM) and Terminal Installations — which are both wholly owned and a 33 per cent. stake in two French drilling

these measures can be applied. The sizeable losses which IHC was forced to take on some orders in 1977 was compensated for by the completion of older, profitable orders, good use of capacity and cost-cutting measures. Profits from "investment" and interest income of Frs.10.7m. helped produce the net profit of Frs.15.9m. (Frs.15.5m. in 1976).

The shipbuilding crisis deepened demand and prices. No major order for offshore plant was placed in 1977 although demand for dredging equipment was reasonable, IHC said in its annual report. The company's order book shortened and it set aside Frs.14m. to meet the costs of the expected under-use of capacity in 1978. IHC was forced to accept loss-making orders as prices came under pressure, due to increased competition from Far East and European yards.

It is currently engaged in the shut-down of the shipyard at Schiedam of its IHC-Gusto subsidiary and the reorganisation of its dredging division. A new Dutch dredging group, based largely on IHC's various divisions, is expected to make an annual loss of Frs.40-45m. for a number of years yet. However, the operational nature of the group and its large share of the market mean it will be well placed when the upturn comes.

Dividend rise from Club Mediterranee

By Robert Mauthner

PARIS, May 3.

CLUB Mediterranee, the French holiday village and hotels group, has announced a net profit of Frs.61m. (some \$13m.) for 1977, a rise of nearly 16 per cent., and will distribute a dividend of Frs.2.50, compared with Frs.2.10 last year.

Turnover was up by nearly 20 per cent. to Frs.1.14bn. and cash flow rose by 18.3 per cent. to Frs.52.4m. Though M. Gilbert Tripano, the managing director, did not give any figures for the early part of this year, he indicated at a financial analysts' meeting that the winter season had been very good for the Club and that first half results were likely to be very satisfactory.

Club Mediterranee's performance was at the more encouraging given the losses, estimated at some Frs.12m., which it has suffered as the result of the closure of the Corsican holiday village of Calvi, following a bomb attack in the spring of last year. In addition, its luxury hotel on the outskirts of Paris, had an operating loss of Frs.2.5m. last year.

On the other hand, Club Mediterranee benefited from particularly favourable tax treatment in France, since a majority of its holiday villages are domiciled abroad. Exchange rate also varied the Club to the tune of Frs.8m. last year.

Sharp growth at Roussel Uclaf

BY OUR OWN CORRESPONDENT

PARIS, May 3.

THE FRENCH pharmaceutical group Roussel Uclaf reported "favourable" results in 1977, showing an increase of just under 8 per cent. on consolidated turnover and higher profits at both group and parent company level.

The company proposed an unchanged dividend of Frs.9.50 net per share. This will be paid on capital which has been increased by 10 per cent. since the last payout.

Group earnings were up 64 per cent. at Frs.83.4m. (\$13m.), compared with Frs.50.8m. in 1976, on sales of Frs.3.53bn., while parent company net profit rose to Frs.64.2m. from Frs.38.4m.

Well over half of total sales — 51 per cent. — were on foreign markets. The biggest expansion was in animal health products, where sales rose 23 per cent. and the farm sector was singled out as the main growth prospect for the current year.

Sales of pharmaceutical goods, which account for about half of turnover, rose 10 per cent. for the group's French operations, slightly below the inflation rate. The 12 per cent. sales growth of foreign subsidiaries operating in this sector would have been greater, the company said, had it not been for adverse exchange rate movements.

The group's spending on research was increased by nearly 14 per cent. to Frs.274m. last year, but the company emphasised that the current economic climate had prevented it from increasing its research staff.

Co-operation with controlling company Hoechst of West Germany, focusing on new pharmaceutical products, was described as "fruitful." New products had accounted for most of Roussel Uclaf's turnover increase in this sector last year.

Marseilles ship-repairer files for bankruptcy

BY DAVID WHITE

PARIS, May 3.

THE BIGGEST ship-repairer business in the port of Marseille filed for bankruptcy at the week-end and is expected to be placed in the hands of a receiver. The repair yard, Societe Provencale des Ateliers Terrin, has been on the verge of liquidation for some time, and the threat of sackings has led to strike movements throughout the port and the nearby shipbuilding yards of La Seyne and La Ciotat.

The Terrin dispute has seriously aggravated the crisis in the Marseilles ship-repair industry, which dominates the sector in France and which has a total work-force of around 10,000.

Another repair yard, Compagnie Marseillaise de Reparations, has already announced the cancellation of several tanker repair contracts by owners who have been scared off by labour stoppages.

Hainaut-Sambre losses increase as sales dip

CHARLEROI, May 3.

Societe Metallurgique Hainaut-Sambre SA said it again proposed to pay no dividend for 1977 after net losses rose to B.Frs.1.09bn. (\$63.3m.) from B.Frs.612m. The company said lower selling prices were only partly compensated last year by falls in raw material costs and better returns on flat steels.

Motor Iberica moves ahead

By David Gardner

BARCELONA, May 3.

MOTOR IBERICA S.A., the commercial and agricultural vehicle manufacturer based mainly in Catalonia but with 20 plants in 13 Spanish provinces, reports a 45.3 per cent. increase in turnover in the year ending last November to Ptas 23.4bn. from Ptas 22.3bn. in 1976. Sales on the home market rose 51.4 per cent. to Ptas 23.8bn. while sales abroad rose 17.5 per cent. to Ptas 6.5bn.

Iberica's leading engineer-exporter in Catalonia after Seat, the car manufacturer.

Profits before tax rose 13 per cent. to Ptas 1.11bn. (\$14m.) with a 1.5 per cent. increase on last year's dividend to 11.5 per cent. The group increased its workforce by 1,057 to 11,224, and invested over Ptas 1.5bn. throughout the period.

KHD holds steady

KLOECKNER-Rumboldt-Deutz is to recommend a 1977 dividend of DM6 per DM50 nominal share, the same as in 1976, reports AP. Dow Jones from Cologne. KHD, a manufacturer of engines, commercial vehicles and industrial machinery, said its net profit totalled DM46.5m. (\$23.3m.) against DM49m.

L'Oreal progress

Societe L'Oreal, the cosmetics manufacturer, raised net consolidated profit to Frs.134.7m. (\$29.3m.) last year from Frs.105.2m. reports AP. The company will raise its capital to Frs.316.3m. through a one-for-one anti-dilution plan for the steel industry.

The company will still make a loss this year, however, although its size depends on whether the EEC plan continues to bite.

Dyno payment stepped up

BY FAY GJESTER

OSLO, May 3.

DYNO INDUSTRIES, of Norway, of paper, pulp, fibre board and reports higher 1977 sales by all divisions and recommends an increased dividend of Kr.13 per share, against Kr.12 for 1976. Pre-tax profits reached Kr.39m. (\$4m.) compared with Kr.28.7m. (\$4m.) in 1976, while pre-tax profits reached Kr.8.4m. against Kr.6.9m.

The 1977 profit figure exactly equals the amount the group received in state interest subsidies to help finance stockpiling of finished products. The subsidies were not, however, enough to fully cover the extra costs incurred as product stockpiles grew, the annual report comments.

It says that a combination of circumstances — steeply rising costs, currency fluctuations, lower output and falling prices for certain products — has created an unfavourable relationship between costs and earnings per unit of output. This trend has been particularly marked in the case of mechanical pulp and sulphate cellulose, creating such problems that the very existence of some Norske Skogindustrier, producers companies is threatened.

First quarter drop at UBS

By John Wicks

ZURICH, May 3.

EARNINGS of Union Bank of Switzerland (UBS) for the first quarter of 1978 are "noticeably below" those for the same period of last year in all sectors of activity, according to a bank statement.

The favourable results obtainable in securities business last year could not be repeated owing to the direct and indirect effects of the ban on non-residents' investments, while the uncertain monetary situation and occasional marked fluctuations in major currencies led to lower income in foreign-exchange and precious-metals trading.

In the interest sector, both interest income and interest differences declined as anticipated. Insufficient investment opportunities in Switzerland led to the necessity to place undiminished domestic deposits in the money market at low rates of return.

The balance-sheet total increased by Sw.Fr.242m. since the end of 1977 to Sw.Fr.55.56bn.

TEXAS EASTERN IN THE UNITED KINGDOM

Texas Eastern Corporation, which is headquartered in Houston and has operating subsidiaries engaged in a wide range of energy development, will have its stock listed on The Stock Exchange in London today, 4th May 1978.

We were among the first group of companies to participate in North Sea exploration some 14 years ago. Since then we and our partners have drilled 242 wells — 169 of them successful. We are partners in three major gas fields off the Norfolk coast which provide a large share of the natural gas used in the United Kingdom.

In 1977 we produced oil for the first full year from the Beryl and Montrose fields and we will begin production from the Tor field in the Norwegian sector this year. Texas Eastern's production from the North Sea is expected to average 18,000 barrels of oil a day in 1978 and this could build up to 80,000 barrels a day by the mid 1980's. These are the first returns from our substantial investment in the search for North Sea oil and we look forward to further successful endeavours.

In the United States we have 12,303 miles of natural gas pipeline and we are the only

company supplying natural gas to both East and West coasts. In 1977 we delivered 1.1 trillion cubic feet of gas and we are actively developing new supplies from traditional and supplemental sources in the U.S. and other parts of the world.

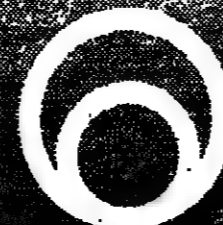
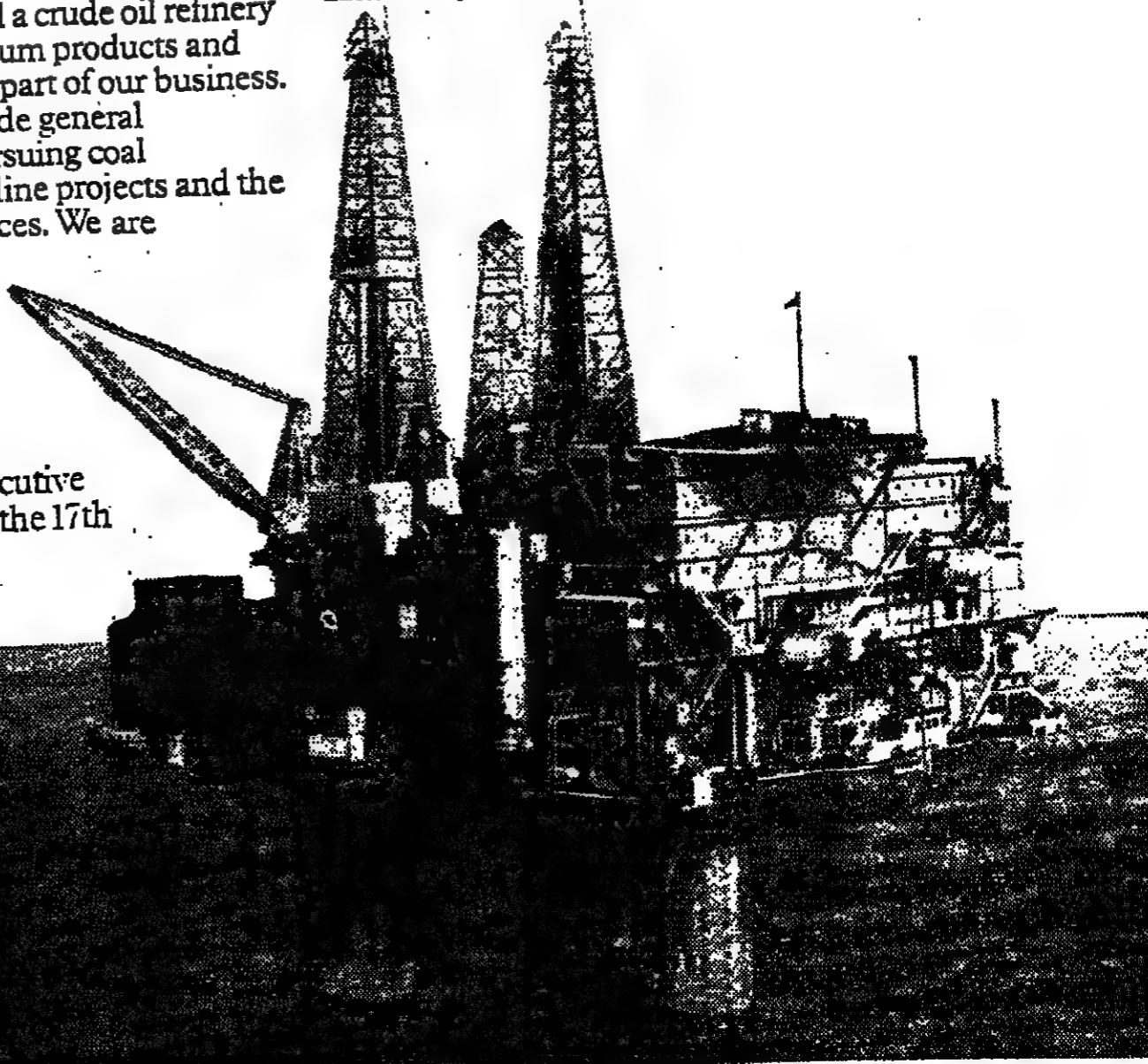
We also have one of North America's largest independent liquid petroleum products pipeline and storage systems and a crude oil refinery in Texas. Wholesaling of petroleum products and the retailing of propane are also part of our business.

In addition, we provide general engineering services and are pursuing coal gasification and coal slurry pipeline projects and the development of uranium resources. We are also developing a privately financed urban real estate project in downtown Houston.

Our financial performance has shown consistent progress. In 1977 earnings rose for the 16th consecutive year and dividends were up for the 17th year in succession.

	1977	1976	1975
\$million	\$million	\$million	\$million
Operating revenues	2,016	1,547	1,298
Net income	124	107	99
Earnings per share	\$5.02	\$4.40	\$4.06
Dividend per share	\$1.97½	\$1.81¼	\$1.70

For copies of the Report and Accounts or further information please contact: Texas Eastern, 11 Grafton Street, London W1



Texas Eastern Corporation
Houston, Texas 77001

FARMING AND RAW MATERIALS

Bid to end merino ram export ban

By Our Own Correspondent

CANBERRA, May 3.

THE AUSTRALIAN Government is moving quietly to lift the longstanding embargo on the export of Merino rams, which was designed to preserve Australia's dominant position as a wool producer.

Mr. Ian Sinclair, the minister for primary industry, has sounded out most of the major wool producer organisations and found a favourable response to lifting the export ban.

Some industry leaders believe, however, that it might be necessary to put the proposal to a referendum of growers and breeders.

Last time this was done, in 1973, there was a 58 per cent. response from those eligible to vote and about one-third of them supported a continued export ban out of the three choices offered by the poll.

Mr. Sinclair believes the ban should be lifted on a trial basis, with regular reviews of the effects.

German fish deal with Argentina

BUENOS AIRES, May 3.

A contract for test fishing and research to Argentina's Atlantic waters south of the 40th parallel has been agreed between a West German fishing company and the Argentine Government.

Under the contract four West German fishing companies will be allowed to catch up to 100,000 tonnes of fish for a one-year trial period.

All the catches must be sent to West German ports as Argentina exports and can be re-exported if they open up new markets for Argentina.

Up to 75 per cent. of the 100,000 tonne catch can be taken, with the remainder made up of unmeasured fish. The contract is to be signed on conclusion of a 1978-79 credit line for Argentina to buy a West German research ship.

PALM OIL FALL

KUALA LUMPUR, May 3.

PENINSULAR Malaysian crude palm oil production fell to 520,042 tonnes in January from 551,155 tonnes in December and 551,157 tonnes in January last year.

Reuters

Renewed buying interest triggers surge in tin

BY JOHN EDWARDS, COMMODITIES EDITOR

TIN VALUES advanced strongly on the London Metal Exchange yesterday.

The standard grade cash price closed £115 higher at £6,330 a tonne, after trading at £6,330 earlier in the day.

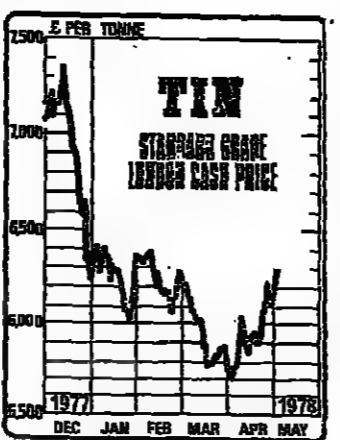
The rise was triggered by a sharp increase in the Penang market overnight, which jumped \$146 to \$31,596 a picul. A further boost was given by the report that Taiwan was seeking to buy 4,000 tonnes of tin at a tender to be held on May 11.

In addition the fall in warehouse stocks last week has highlighted the development of a tightening of supplies immediately available to the market.

The result has been that the cash and nearby prices are establishing a growing premium over forward quotations.

It is generally believed that there is unlikely to be any release of surplus tin from the U.S. stockpile until October at the earliest and possibly much later.

Proposals for stockpile releases of tin, and possibly purchases of copper, appear to be stalled in Congress. It is thought it might take some time for decisions to emerge, even if market prices continue to rise.



In the meantime there seems every likelihood of an increase in the International Tin Agreement "floor" and "ceiling" prices being agreed by consumers at the next Tin Council meeting in July.

The Taiwan buying tender also affected other metals, although tin is the only one to show a significant rise.

Many producers with U.S. connections are also understood to be fearful of any anti-trust regulations being breached.

of zinc, as well as 4,000 tonnes

Dealers pointed out that purchases of this size would involve the expenditure of huge sums from a country not previously associated with large metal imports.

In 1976, according to the World Bureau of Metal Statistics, Taiwan imports of copper rose substantially to 36,000 tonnes—10,000 tonnes above 1975—but fell back during the first nine months of last year.

Its tin consumption was put at about 700 tonnes and zinc at 25,000 tonnes annually.

Meanwhile, it was confirmed in Brussels yesterday that representatives of the European zinc industry, EEC governments, and the EEC Commission, will meet on May 12 to discuss the "crisis" in the zinc market.

Earlier it was suggested that a monitoring plan for imports would be recommended. But any move to restrict imports is thought to be unlikely since this would contravene the rules of the General Agreement on Tariffs and Trade.

Many producers with U.S. connections are also understood to be fearful of any anti-trust regulations being breached.

U.S. farmers cut grain acreage

BY OUR OWN CORRESPONDENT

ALMOST 30 per cent. of the grain-growing farms in the U.S., which cover about 50 per cent. of the country's grain acreage, will take part in this year's cereal acreage set-asides programme.

The U.S. Department of Agriculture reported that by April 27 owners of 666,490 farms had agreed to plant part of their

acreage with crops other than

grains. Farmers taking part intend to set aside 8.7m. acres, of which 5.8m. would usually be sown with wheat and most of the rest with maize.

Registrations for the programme, aimed at reducing the national grain surplus, close on May 15. Farmers participating

are eligible for special price support loans, disaster payments where necessary, and target price payments.

Registrations are not, however, binding on farmers. Growers can still plant their crops, but preliminary agreements and final set-asides figures will not be known until farmers tell the department exactly how many acres they have planted with

grains. The feed grain reserve includes 19.8m. bushels of barley, 11.5m. of maize, 22.5m. of oats, and 1.3m. of sorghum.

The reserve allows farmers to hold wheat and other grain in the market for up to three years. The maximum price for wheat is \$5.50 a bushel. The maximum price for other grains is \$4.50 a bushel.

The department also reported freezing temperatures last week in all of the main USSR farming areas except the Ukraine, Moldova, North Caucasus and the lower Volga Valley.

India's cereal plans

BY OUR OWN CORRESPONDENT

NEW DELHI, May 3.

INDIA IS NOT aiming to become a grain exporting nation at present and the bumper crop at 125m. tonnes this year will be used to guarantee India's self-sufficiency in the future, according to Mr. Surjit Singh Barnala, Minister for Agriculture.

Mr. Barnala said that it would be easy to increase food grain production by 5m. to 6m. tonnes a year in the next few years.

India has started exporting grains on a modest scale, but Agriculture Ministry experts rule

out major exports for the present. One reason, of course, is that the world price of wheat will entail a loss on exports.

Besides, commercial exports will be feasible only when India is able to generate grain surplus regularly.

It is unlikely that stocks with public agencies at the end of July will exceed the specified 12m. tonnes plus the operational stocks of 5.5m. tonnes required to keep the public distribution system going.

Isoglucose producer scorns aid

EXPORT REFUNDS for the

maltese-based sweetener, isoglucose, were announced yesterday by Brussels by the EEC Commission, reports

Mr. Finn Gundelach, EEC Commissioner for Agriculture, told the European Parliament in March that export refunds should be granted to isoglucose producers as a matter of fairness in view of the production levy

imposed by the Commission aimed at reducing competition with sugar.

But last night a spokesman for Lant Redmeries, the main U.K. producer of isoglucose, described the export subsidy for isoglucose as "absolutely meaningless".

He pointed out that there were virtually no exports of isoglucose, except a little to Switzerland, since it was a costly and troublesome product to ship.

Legal action against the EEC Commission for imposing the production levy was proceeding through the European Court of Justice with the oral hearing due to be held on May 24, he said.

Last week at the EEC farm price talks the Commission proposed the isoglucose levy should be maintained for the 1978-79 season at an unchanged level of five units of account instead of the possible maximum rate of 10 units.

Starting from this month the refund on isoglucose used in processed foods will be set at 0.622 units per 100 kilos. This will be reviewed each month.

EEC raises sugar subsidy

By Our Own Correspondent

THE COMMON Market Commission again raised its export subsidies at the weekly sugar export tender in Brussels yesterday.

The sugar management committee approved the export of 54,000 tonnes of whites, and set the maximum export refund at 24.985 units of account per tonne.

The tender had no discernible impact on world prices. In London the daily price for white sugar fell 5p a tonne down to £101.

JUTE FARMING

Bangladesh makes room for grain

BY KEVIN RAFFERTY

BANGLADESH OFFICIALS are pressing ahead with schemes to plant more than 1.5m. acres of jute land with new seeds and use modern, intensive methods of cultivation.

If they succeed, the plans could add 50 per cent. to the size of the crop—or free some land for other crops such as foodgrains.

Between 25 per cent. and 30 per cent. of the land devoted to jute in Bangladesh is already benefiting from improved methods of cultivation.

On these areas yields have risen from three bales an acre under traditional methods to 4.5 bales.

Dr. N. M. Huda, the president of the Bangladesh Jute Growers' Association, warned against over-optimism. "Some of those responsible want to jump immediately to have a million acres under improved methods. They have not thought of the necessary inputs, but it is not going to be so easy to achieve results quickly."

With the current against equating hopes with facts (and having slipped to an average of 10 per cent. a year since the mid-1960s), the fall in consumption by the industrialised states has been the most severe, almost 10 per cent. a year since 1960.

Studies by the United Nations Development Programme (Unctad) hold out the hope that the developing countries might increase their consumption of jute.

But for Bangladesh as the

world's main jute producer there

record 7.38m. bales achieved in 1969-70, the last year that the country was part of Pakistan.

But Dr. Huda pointed out that since then the world market for jute has shrunk, so a steady crop of 7m. bales would be what Bangladesh should aim at.

That crop produced on reduced acreage would allow land to be turned over to food production and reduce Bangladesh's grain deficit of more than 1m. tons a year.

The vital questions, however, are whether the world market for jute will hold up and whether Bangladesh can keep down its production costs to stabilise the market.

Consumption

Jute is one of the weakest of the world's commodities, with demand declining by an average of 5 per cent. a year since the mid-1960s. The fall in consumption by the industrialised states has been the most severe, almost 10 per cent. a year since 1960.

Studies by the United Nations Development Programme (Unctad) hold out the hope that the developing countries might increase their consumption of jute.

But for Bangladesh as the

world's main jute producer there

record 7.38m. bales achieved in 1969-70, the last year that the country was part of Pakistan.

But Dr. Huda pointed out that since then the world market for jute has shrunk, so a steady crop of 7m. bales would be what Bangladesh should aim at.

That crop produced on reduced acreage would allow land to be turned over to food production and reduce Bangladesh's grain deficit of more than 1m. tons a year.

The vital questions, however, are whether the world market for jute will hold up and whether Bangladesh can keep down its production costs to stabilise the market.

Consumption

Jute is one of the weakest of the world's commodities, with demand declining by an average of 5 per cent. a year since the mid-1960s. The fall in consumption by the industrialised states has been the most severe, almost 10 per cent. a year since 1960.

Studies by the United Nations Development Programme (Unctad) hold out the hope that the developing countries might increase their consumption of jute.

But for Bangladesh as the

Board seeks milk price rise

BY CHRISTOPHER PARKES

THE MILK Marketing Board wants the retail price of milk to be increased this summer.

Mr. Steve Roberts, the chairman, said he did not think "a small increase" would damage consumption as much as last year's rise.

He also called for a further devaluation of the "green pound" this year, on top of the 7½ per cent. adjustment already in the pipeline, to boost dairy support prices further.

Mr. Roberts warned that this year's increase in the amount of milk produced in the United Kingdom would be a large part of the output into intervention.

"There is little doubt, however, that this is going to happen in the U.K. in 1978," he said.

no option but to make as much

cheese as possible. Increased supplies on an already overladen cheese market would depress returns, he said.

More butter would have to be made, and because of the heavy promotion in Britain of a cheap dried milk substitute for the liquid product may also have harmed doorstep sales.

The Ministry of Agriculture was so alarmed by the decline in sales that it scrapped plans for a 1½ p. rise last autumn.

Warning of the risks in a large increase in the retail price, Mr. Roberts said apart from reducing sales, raising the price could also attract imports of liquid milk from Ireland or Continental Europe.

Last year's round of rises in

the price of doorstep milk was largely blamed for the dramatic fall in liquid milk sales. But the increases coincided with a period when coffee and tea prices were exceptionally high, and the heavily promoted launch in Britain of a cheap dried milk substitute for the liquid product may also have harmed doorstep sales.

The Ministry of Agriculture was so alarmed by the decline in sales that it scrapped plans for a 1½ p. rise last autumn.

Warning of the risks in a large increase in the retail price, Mr. Roberts said apart from reducing sales, raising the price could also attract imports of liquid milk from Ireland or Continental Europe.

COMMODITY MARKET REPORTS AND PRICES

BASE METALS

COPPER—Futures on the London Metal Exchange. Forward metal opened higher at £710 but eased back to £708 owing to the lack of any follow through of the previous day's buying, which preceded news that Taiwan will hold a tender on May 11, which will include the purchase of up to 4,000 tonnes of copper. In the afternoon, however, the price moved up to £710.50, and closed at £714 on the late Karb. Turnover 1,670 tonnes.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

TIN

Standard grade cash price closed £115 higher at £6,330 a tonne, after trading at £6,330 earlier in the day.

The rise was triggered by a sharp increase in the Penang market overnight, which jumped \$146 to \$31,596 a picul.

A further boost was given by the report that Taiwan was seeking to buy 4,000 tonnes of tin at a tender to be held on May 11.

In addition the fall in warehouse stocks last week has highlighted the development of a tightening of supplies immediately available to the market.

The result has been that the cash and nearby prices are establishing a growing premium over forward quotations.

It is generally believed that there is unlikely to be any release of surplus tin from the U.S. stockpile until October at the earliest and possibly much later.

Proposals for stockpile releases of tin, and possibly purchases of copper, appear to be stalled in Congress. It is thought it might take some time for decisions to emerge, even if market prices continue to rise.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

Analysed Metal Trading reported that the cash price for electrolytic copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50. The price for cathode copper at £695.50, three months £705.50, six months £710.50, and 12 months £715.50.

STOCK EXCHANGE REPORT

Early burst in equity leaders proves flimsily based

Initial rise of 6.1 in 30-share index cut to 2.3 at 471.9

Account Dealing Dates
Option
First Declara- Last Account
Dealing tions Dealing Day
Apr. 17 Apr. 27 Apr. 23 May 10
May 2 May 11 May 12 May 19
May 15 May 25 May 26 Jun. 7

An optimistic opening thirty minutes trading in leading equities during which the previous day's late advance was significantly extended, highlighted stock markets yesterday. Limited investment support for selected first-line shares, together with professional interest impinged on a market still basically short of stock and the ensuing defensive action on the part of dealers quickly saw the leaders as much as 10 higher.

At the enhanced price levels inquiries waned, particularly on institutional behalf, and the mood of the market once more became lethargic, although the underlying firmness held. However, the announcement of the latest currency reserves, thought to be much in line with expectations, was deemed sufficient excuse to lower prices and the downturn subsequently accelerated on scattered professional profit-taking.

The continuing pressure on retailers' profit margins, borne out by both Marks & Spencer's and Sainsbury's preliminary statements, contributed to the turn-around in sentiment which left the FT Industrial share index up only 2.3 at 471.9, after a rise of 6.1 at the 10 a.m. calculation. Second-line stocks tended to be overshadowed but maintained their upward progress.

Total bargains marked, at 5.320, were slightly above Tuesday's figure of 5.030 and the week-nation of rises to falls in the FT Industrial share index increased from five-to-two to nearly nine-to-two.

Gilt end mixed

Encouraged by the opening burst of strength in equities and the trend of gilt-edged securities, the market began in good heart. A few cheap buyers soon furthered the initial advance and before long issues with ten years or more to maturity were showing gains extending to 1. The shorts also edged forward, but only by 1. Interest then evaporated and business was at a standstill until the afternoon when a cheerless reading of the sterling and currency reserves eventually spurred occasional selling which became more forceful after the official close of business. As a result, rises in the loans were pared to 1 in the after-hours' trade, while the shorter issues, on a resumption of Minimum Lending Rate fears, saw their small early

Improvements replaced by losses ranging to 1. The cashiers came too late to affect Corporations, which closed with gains extending to 1.

Traded options were generally quiet, but a good deal of business was transacted in four of the stocks. Marks & Spencer became particularly active following the announcement of the company's results and 200 contracts were transacted in Grammet, ICI and Courtaulds. Total contracts amounted to 682. Only five contracts were done in Shell in which a new 600 series is expected to start to-day.

Turnover in the investment currency market was again well-balanced in a moderate turnover. After ranging between 109; per cent, and 110; per cent, the premium ended 3 net 3 up at 110; per cent. Yesterday's conversion was 0.6771 (0.6763).

Leslie & Godwin good

Recently the subject of an unsuccessful bid from the American insurance giant Frank R. Hall, following intervention by Lloyd's of London, Leslie and Godwin attracted fresh speculative support on hopes of another offer and finished 10 higher at 100p. Other Brokers moved up in sympathy and Sainsbury's advanced 4 to 398p and C. E. Heath 7 to 270p. Misset, a firm market of late following the better-than-expected results, rose 4 more to 190p. Composites made progress with the general trend. Royals added 6 at 540p and Sun Alliance added 6 at 540p and General Accident, 3 to 310p.

Quietly firm conditions prevailed in the major clearing Banks. Barclays hardened 3 to 340p and Lloyds closed a similar amount dearer at 375p. National and Commercial held steady at 75p in response to to-day's first-half figures. Merchant Banks were higher in places. Hambros gained 5 to 190p and G. R. Davies appreciated 5 to 39p.

Among Beverages, Hignett met support ahead of Friday's interim results and improved 3 to 83p, while J. A. Devall eased to 139p following the preliminary figures. Elsewhere, speculative demand left A. Bell 10 to the good at 235p. In a busier Building sector, John Laing advanced 8 more to 137p after 162p, in further response to its results and proposals to launch its property investment division as a separate quoted company. Other Contractors and Construction issues were influenced, notably Taylor Woodrow, which helped also by the announcement of a £16.4m. contract for a 12 to 382p, while Howard Costain which added 8 to 278p. Marshall, 38p, and GEC, 153p, put on 4 and 5 respectively. Feb International responded to improved annual profits; the

Ordinary and A both closed 2 out much alteration after showing gains of a few pence or so in the earlier dealings. Elsewhere, Electrical issues recorded some

while, still on the annual results. Prices of Walsley gained 3 further to 153p.

After having taken the overnight gains a useful stage further in early trading, miscellaneous Industrial leaders turned easier late and closed mixed. Becham, which had touched 650p, finally closed 2 off at 648p, while GKN finished only 3 dearer at 550p, after 358p. Reckitt and Colman added 7 to 436p and Metal Box in the latter was still buoyed by news of the company's planned acquisition of a 75 per cent stake in a Californian beverage can manufacturing company. Elsewhere, buyers were attracted to ICI following Press comment ahead of the forthcoming interim figures and the shares jumped 12 to 200p. Demand in this market left Henry Boot and Hoskins and Herton 7 higher at 137p and 158p respectively.

Downs Surgical added 1; to 23p in response to the good results and renewed speculative demand on bid hopes prompted by a rise of 4; to 29p in Johnson Group. Clean and 5; to 112p and Avon Rubber, Booker McConnell were notable for a rise of 7 to 239p and Poseco Misset added 4; to 160p and Mid-Cavendish, 142p. Demand in this market left hand, lost 13 to 115p in reaction to the sharp contraction in profits and Marshall's Universal shed 6 to 160p, also on disappointment with the preliminary figures. Profit-taking after the recent speculative surge left Redfern National Glass 10 easier at 310p. The Standard Commission's report on whether or not the outstanding bids from Rockwell and United Glass can go ahead, is due to be published in the next week or so.

Godfrey's were lowered 3 to 4p on the 80; per cent acceptance of the 25; offer, but Airflow Garages and Distributors, Henry Harrison and 10; to 123p, while Gals of around 2 were recorded in British Car, 461p, and Elmhurst Garages, 35p. I. and J. Quicke hardened a shade 31p in response to the capital proposals. Noteworthy gains in Components included Lucas, up 10 to 294p, after 285p, and Dewey, 6 to the good at 180p.

Buyers were again evident in the Motor Sections. Among Garages and Distributors, Henry Harrison and 10; to 123p, while Gals of around 2 were recorded in British Car, 461p, and Elmhurst Garages, 35p. I. and J. Quicke hardened a shade 31p in response to the capital proposals. Noteworthy gains in Components included Lucas, up 10 to 294p, after 285p, and Dewey, 6 to the good at 180p.

After having taken the overnight gains a useful stage further in early trading, miscellaneous Industrial leaders turned easier late and closed mixed. Becham, which had touched 650p, finally closed 2 off at 648p, while GKN finished only 3 dearer at 550p, after 358p. Reckitt and Colman added 7 to 436p and Metal Box in the latter was still buoyed by news of the company's planned acquisition of a 75 per cent stake in a Californian beverage can manufacturing company. Elsewhere, buyers were attracted to ICI following Press comment ahead of the forthcoming interim figures and the shares jumped 12 to 200p. Demand in this market left Henry Boot and Hoskins and Herton 7 higher at 137p and 158p respectively.

Downs Surgical added 1; to 23p in response to the good results and renewed speculative demand on bid hopes prompted by a rise of 4; to 29p in Johnson Group. Clean and 5; to 112p and Avon Rubber, Booker McConnell were notable for a rise of 7 to 239p and Poseco Misset added 4; to 160p and Mid-Cavendish, 142p. Demand in this market left hand, lost 13 to 115p in reaction to the sharp contraction in profits and Marshall's Universal shed 6 to 160p, also on disappointment with the preliminary figures. Profit-taking after the recent speculative surge left Redfern National Glass 10 easier at 310p. The Standard Commission's report on whether or not the outstanding bids from Rockwell and United Glass can go ahead, is due to be published in the next week or so.

Godfrey's were lowered 3 to 4p on the 80; per cent acceptance of the 25; offer, but Airflow Garages and Distributors, Henry Harrison and 10; to 123p, while Gals of around 2 were recorded in British Car, 461p, and Elmhurst Garages, 35p. I. and J. Quicke hardened a shade 31p in response to the capital proposals. Noteworthy gains in Components included Lucas, up 10 to 294p, after 285p, and Dewey, 6 to the good at 180p.

Buyers were again evident in the Motor Sections. Among Garages and Distributors, Henry Harrison and 10; to 123p, while Gals of around 2 were recorded in British Car, 461p, and Elmhurst Garages, 35p. I. and J. Quicke hardened a shade 31p in response to the capital proposals. Noteworthy gains in Components included Lucas, up 10 to 294p, after 285p, and Dewey, 6 to the good at 180p.

Godfrey's were lowered 3 to 4p on the 80; per cent acceptance of the 25; offer, but Airflow Garages and Distributors, Henry Harrison and 10; to 123p, while Gals of around 2 were recorded in British Car, 461p, and Elmhurst Garages, 35p. I. and J. Quicke hardened a shade 31p in response to the capital proposals. Noteworthy gains in Components included Lucas, up 10 to 294p, after 285p, and Dewey, 6 to the good at 180p.

Buyers were again evident in the Motor Sections. Among Garages and Distributors, Henry Harrison and 10; to 123p, while Gals of around 2 were recorded in British Car, 461p, and Elmhurst Garages, 35p. I. and J. Quicke hardened a shade 31p in response to the capital proposals. Noteworthy gains in Components included Lucas, up 10 to 294p, after 285p, and Dewey, 6 to the good at 180p.

After having taken the overnight gains a useful stage further in early trading, miscellaneous Industrial leaders turned easier late and closed mixed. Becham, which had touched 650p, finally closed 2 off at 648p, while GKN finished only 3 dearer at 550p, after 358p. Reckitt and Colman added 7 to 436p and Metal Box in the latter was still buoyed by news of the company's planned acquisition of a 75 per cent stake in a Californian beverage can manufacturing company. Elsewhere, buyers were attracted to ICI following Press comment ahead of the forthcoming interim figures and the shares jumped 12 to 200p. Demand in this market left Henry Boot and Hoskins and Herton 7 higher at 137p and 158p respectively.

Downs Surgical added 1; to 23p in response to the good results and renewed speculative demand on bid hopes prompted by a rise of 4; to 29p in Johnson Group. Clean and 5; to 112p and Avon Rubber, Booker McConnell were notable for a rise of 7 to 239p and Poseco Misset added 4; to 160p and Mid-Cavendish, 142p. Demand in this market left hand, lost 13 to 115p in reaction to the sharp contraction in profits and Marshall's Universal shed 6 to 160p, also on disappointment with the preliminary figures. Profit-taking after the recent speculative surge left Redfern National Glass 10 easier at 310p. The Standard Commission's report on whether or not the outstanding bids from Rockwell and United Glass can go ahead, is due to be published in the next week or so.

Godfrey's were lowered 3 to 4p on the 80; per cent acceptance of the 25; offer, but Airflow Garages and Distributors, Henry Harrison and 10; to 123p, while Gals of around 2 were recorded in British Car, 461p, and Elmhurst Garages, 35p. I. and J. Quicke hardened a shade 31p in response to the capital proposals. Noteworthy gains in Components included Lucas, up 10 to 294p, after 285p, and Dewey, 6 to the good at 180p.

Buyers were again evident in the Motor Sections. Among Garages and Distributors, Henry Harrison and 10; to 123p, while Gals of around 2 were recorded in British Car, 461p, and Elmhurst Garages, 35p. I. and J. Quicke hardened a shade 31p in response to the capital proposals. Noteworthy gains in Components included Lucas, up 10 to 294p, after 285p, and Dewey, 6 to the good at 180p.

Godfrey's were lowered 3 to 4p on the 80; per cent acceptance of the 25; offer, but Airflow Garages and Distributors, Henry Harrison and 10; to 123p, while Gals of around 2 were recorded in British Car, 461p, and Elmhurst Garages, 35p. I. and J. Quicke hardened a shade 31p in response to the capital proposals. Noteworthy gains in Components included Lucas, up 10 to 294p, after 285p, and Dewey, 6 to the good at 180p.

Buyers were again evident in the Motor Sections. Among Garages and Distributors, Henry Harrison and 10; to 123p, while Gals of around 2 were recorded in British Car, 461p, and Elmhurst Garages, 35p. I. and J. Quicke hardened a shade 31p in response to the capital proposals. Noteworthy gains in Components included Lucas, up 10 to 294p, after 285p, and Dewey, 6 to the good at 180p.

After having taken the overnight gains a useful stage further in early trading, miscellaneous Industrial leaders turned easier late and closed mixed. Becham, which had touched 650p, finally closed 2 off at 648p, while GKN finished only 3 dearer at 550p, after 358p. Reckitt and Colman added 7 to 436p and Metal Box in the latter was still buoyed by news of the company's planned acquisition of a 75 per cent stake in a Californian beverage can manufacturing company. Elsewhere, buyers were attracted to ICI following Press comment ahead of the forthcoming interim figures and the shares jumped 12 to 200p. Demand in this market left Henry Boot and Hoskins and Herton 7 higher at 137p and 158p respectively.

Downs Surgical added 1; to 23p in response to the good results and renewed speculative demand on bid hopes prompted by a rise of 4; to 29p in Johnson Group. Clean and 5; to 112p and Avon Rubber, Booker McConnell were notable for a rise of 7 to 239p and Poseco Misset added 4; to 160p and Mid-Cavendish, 142p. Demand in this market left hand, lost 13 to 115p in reaction to the sharp contraction in profits and Marshall's Universal shed 6 to 160p, also on disappointment with the preliminary figures. Profit-taking after the recent speculative surge left Redfern National Glass 10 easier at 310p. The Standard Commission's report on whether or not the outstanding bids from Rockwell and United Glass can go ahead, is due to be published in the next week or so.

Godfrey's were lowered 3 to 4p on the 80; per cent acceptance of the 25; offer, but Airflow Garages and Distributors, Henry Harrison and 10; to 123p, while Gals of around 2 were recorded in British Car, 461p, and Elmhurst Garages, 35p. I. and J. Quicke hardened a shade 31p in response to the capital proposals. Noteworthy gains in Components included Lucas, up 10 to 294p, after 285p, and Dewey, 6 to the good at 180p.

Buyers were again evident in the Motor Sections. Among Garages and Distributors, Henry Harrison and 10; to 123p, while Gals of around 2 were recorded in British Car, 461p, and Elmhurst Garages, 35p. I. and J. Quicke hardened a shade 31p in response to the capital proposals. Noteworthy gains in Components included Lucas, up 10 to 294p, after 285p, and Dewey, 6 to the good at 180p.

Godfrey's were lowered 3 to 4p on the 80; per cent acceptance of the 25; offer, but Airflow Garages and Distributors, Henry Harrison and 10; to 123p, while Gals of around 2 were recorded in British Car, 461p, and Elmhurst Garages, 35p. I. and J. Quicke hardened a shade 31p in response to the capital proposals. Noteworthy gains in Components included Lucas, up 10 to 294p, after 285p, and Dewey, 6 to the good at 180p.

Buyers were again evident in the Motor Sections. Among Garages and Distributors, Henry Harrison and 10; to 123p, while Gals of around 2 were recorded in British Car, 461p, and Elmhurst Garages, 35p. I. and J. Quicke hardened a shade 31p in response to the capital proposals. Noteworthy gains in Components included Lucas, up 10 to 294p, after 285p, and Dewey, 6 to the good at 180p.

FINANCIAL TIMES STOCK INDICES

	May 3	May 2	Apr. 28	Apr. 27	Apr. 26	Apr. 25	Apr. 24
Government Secs.....	71.42	71.97	71.59	71.22	71.24	71.47	69.71
Fixed Interest.....	73.90	73.81	74.07	74.33	74.47	74.79	74.90
Industrial Ordinary.....	671.3	669.6	668.7	667.6	667.5	660.7	660.8
Gold Mines.....	148.3	144.4	147.7	145.5	144.4	138.5	137.1
U. S. Div. Yield.....	5.69	5.72	5.77	5.78	5.67	5.63	5.62
Earnings % 12 Mths.....	17.15	17.83	17.79	17.16	17.46	17.29	16.00
P/E Ratio (mkt).....	7.90	7.76	7.69	7.68	7.70	7.78	8.11
Dividends market.....	6.520	6.500	5.406	4.787	5.110	4.944	5.51
Equity turnover %.....		55.39	57.80	58.58	56.70	70.80	83.41
Equity balance total.....		14,490	16,041	16,415	14,098	13,797	16,34
2 p.m. 475.3 1 p.m. 472.4							
* Based on 32 cent. bid, corporation 472.4							
Largest bid 0.25 0.25 0.25							
Base 10 Gov. Secs. 13/103. Fixed Int. 1233. Ind. Ord. 17/36. Op							
Misses 12/9 55 Actvity 13/26 1942.							

OFFSHORE AND OVERSEAS FUNDS

Arthur Seckman Securities (C.I.) Limited
100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 91

[illegible]

FINANCE LAND—Continued

[illegible][illegible]

$\frac{d}{dt} \left(\frac{\partial L}{\partial \dot{x}} \right) = \frac{\partial L}{\partial x}$

$\frac{d}{dt} \left(\frac{\partial L}{\partial \dot{x}} \right) = \frac{\partial L}{\partial x}$

Taxes force oil chief abroad

By Ray Dafer,
Energy Correspondent

MR. JAMES LONGCROFT, managing director of the Trincental oil group, is leaving Britain because of the tax laws. He said he had been advised that he would have to pay 98 per cent tax on North Sea revenue earned by a family-owned management company. Mr. Longcroft, aged 48, will move to Geneva with his family in July.



Mr. James Longcroft, Geneva tax 'more equitable'.

Guernsey. Both are connected with a private management company, Opman International, based in Bermuda.

Opman was founded by the Longcroft family 20 years ago and was largely responsible for the development of Trincental, formerly called Trinidad Central Oil. The Longcroft family, through Opman, invested in finance oil and gas exploration ventures in the U.S.

Opman has also provided Trincental with management services. In return it receives royalty payments on all oil and gas discovered before 1975.

Trincental was one of the first independent oil groups to be associated with a commercial discovery in the North Sea. As a result of its 9.6 per cent interest in the Thistle field, Opman will earn up to £35m. in royalties.

Mr. Pratt, a consultant with Opman, is to receive 20 per cent of these Thistle royalties, which are subject to petroleum tax liabilities. But Mr. Longcroft said that he could be hit hardest by the tax laws.

He has been advised that the Inland Revenue plans to treat the earnings of the company as investment income of individual beneficiaries. "That means being taxed at 98 per cent."

"I have worked pretty hard creating something which I feel is to the benefit of this country. That success means that I have to leave the country."

Mr. Longcroft added that he was moving to Geneva in order to pay more equitable tax rates rather than to avoid taxation.

The management of Trincental would not be affected by the move; he planned to visit the London headquarters one week every month. "That is more than I achieve at times now."

Men and Matters, Page 22

No decision on future of tin mine

By Paul Chesworth

THE FUTURE of the Wheal Jane tin mine, currently still hunched in the balance between evening talks between Mr. Alan Williams, the Minister of State for Industry, and Mr. Gerald Mortimer, the chief executive of Consolidated Gold Fields, the mine's owners, broke up without agreement.

After 90 minutes of discussions both sides agreed to consider their positions overnight. There is the possibility of another meeting to-day but no time has been set.

Gold Fields announced last week that Wheal Jane would be shut because of the decision to close a neighbouring mine, Mount Wellington. There is a danger of Wheal Jane flooding if the pumps of Mount Wellington are turned off, as planned, to-morrow.

Various options available to keep Wheal Jane open were discussed. These would have included some form of financial package, including the offer of the miners to forego a 10 per cent wage increase this year. The closure of Mount Wellington will mean the loss of 325 jobs. If Wheal Jane closed about 800 people would become unemployed in an area where the unemployment rate is 11 per cent. Miners from Wheal Jane, led by Mr. Moss Evans, the leader of the Transport and General Workers' Union, yesterday marched to Westminster and lobbied MPs in an effort to keep the mine open. Mr. Evans saw Mr. Williams and urged the necessity of keeping the Mount Wellington pumps going.

Scottish poll defeat worries Nationalists

BY RAY PERMAN, SCOTTISH CORRESPONDENT

SCOTTISH NATIONALISTS were worried last night that their defeat in the regional council elections by Labour and the Conservatives could mean a setback for their independence campaign at the next General Election.

Although only a handful of seats changed hands, the Scottish National Party failed in its biggest ever push to gain control at local levels.

SNP candidates did badly in a number of vital areas. In particular, Labour crushed their challenge in Scotland's central industrial belt, where there are 30 Labour-held Parliamentary seats vital to Mr. Callaghan's chances of forming the next Government.

In Hamilton, where a by-election is pending, there was a swing of 9 per cent from the SNP to Labour and in North East Scotland, where the Tories hope to win back Parliamentary constituencies, SNP candidates did poorly.

Against its expectations, Labour retained control of Strathclyde—the biggest region also made gains and there were seven SNP losses in the region.

Labour gained a majority in both Lothian and Central regions, where it was previously the largest party but did not have control.

The Nationalists mounted their highest challenge in Central region, where they did well in district council elections last year, but it slipped. Both Labour and the Tories gained seats at the SNP's expense.

The Conservatives increased their majority in Grampian and gained control of Tayside, where previously the SNP relied on independents for support.

The results confirm the indications given by opinion polls and the outcome of the Garscadden by-election last month.

that the SNP has slipped back and may be running third behind Labour and the Tories.

They also spell a remarkable turn-around for Labour which a year ago suffered badly in the second tier district authority elections.

The campaign was fought largely on national issues and Labour relied heavily on the popularity of the Prime Minister and on support for the Government's economic record.

The Nationalists blame the low poll for their poor showing. The SNP policy of abolishing the regional councils had not encouraged people to vote, they said.

Liberals did badly, although the party fought only a few seats, preferring to save its resources for the coming general election and referendum on devolution.

The breakaway Scottish Labour Party failed to win any seats and its future must now be in doubt.

Votes in rural and island areas were still coming in last night, but are in authorities traditionally controlled by independents.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

The Tories can be expected to regain many of the seats lost last year, but the SNP's gains in the Highlands and Islands are expected to be permanent.

The Tories can be expected to regain many of the seats lost last year, but the SNP's gains in the Highlands and Islands are expected to be permanent.

The Tories can be expected to regain many of the seats lost last year, but the SNP's gains in the Highlands and Islands are expected to be permanent.

The Tories can be expected to regain many of the seats lost last year, but the SNP's gains in the Highlands and Islands are expected to be permanent.

The Tories can be expected to regain many of the seats lost last year, but the SNP's gains in the Highlands and Islands are expected to be permanent.

The Tories can be expected to regain many of the seats lost last year, but the SNP's gains in the Highlands and Islands are expected to be permanent.

The Tories can be expected to regain many of the seats lost last year, but the SNP's gains in the Highlands and Islands are expected to be permanent.

The Tories can be expected to regain many of the seats lost last year, but the SNP's gains in the Highlands and Islands are expected to be permanent.

The Tories can be expected to regain many of the seats lost last year, but the SNP's gains in the Highlands and Islands are expected to be permanent.

The Tories can be expected to regain many of the seats lost last year, but the SNP's gains in the Highlands and Islands are expected to be permanent.

The Tories can be expected to regain many of the seats lost last year, but the SNP's gains in the Highlands and Islands are expected to be permanent.

The Tories can be expected to regain many of the seats lost last year, but the SNP's gains in the Highlands and Islands are expected to be permanent.

The Tories can be expected to regain many of the seats lost last year, but the SNP's gains in the Highlands and Islands are expected to be permanent.

The Tories can be expected to regain many of the seats lost last year, but the SNP's gains in the Highlands and Islands are expected to be permanent.

The Tories can be expected to regain many of the seats lost last year, but the SNP's gains in the Highlands and Islands are expected to be permanent.

The Tories can be expected to regain many of the seats lost last year, but the SNP's gains in the Highlands and Islands are expected to be permanent.

The Tories can be expected to regain many of the seats lost last year, but the SNP's gains in the Highlands and Islands are expected to be permanent.

Government faces test in English local elections

BY DAVID CHURCHILL

LOCAL GOVERNMENT elections in England to-day will be a crucial test of the Government's popularity, though only about half the total electorate will have the opportunity to vote.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Local issues have failed even more than usual to make a significant impact on the campaign, and party workers agree that the outcome will very much reflect voters' opinion on national issues.

Brezhnev will face protests in Bonn visit

BY JONATHAN CARR

BONN, May 3. DISARMAMENT, economic co-operation and the Berlin problem are likely to be the key topics discussed during the four-day visit to West Germany starting to-morrow of Mr. Leonid Brezhnev, Russian State and Communist Party leader.

Several human rights groups plan demonstrations during Mr. Brezhnev's visit, which will take place under the strictest security precautions. The visit has been postponed several times because of the President's illness and, on this occasion, his schedule is being limited.

The most sensitive aspects of the negotiations will be dealt with in three sessions of private talks between Mr. Brezhnev and Herr Helmut Schmidt Chancellor, scheduled to last a total of seven hours. Similar ground will be covered by Mr. Andrei Gromyko and Herr Hans Dietrich Genscher the two Foreign Ministers.

The German side is particularly anxious to hear the Russian view on prospects for the mutual and balanced force reduction talks in Vienna.

The Russian side is expected to raise the controversy of the U.S. neutron weapon. The two sides are expected to sign a 25-year economic co-operation agreement which, it is hoped, will give a further boost to this aspect of Russo-West German relations.

West German industry is hopeful that Mr. Brezhnev's visit may mean more orders from Russia. Possibilities include an aluminium and petrochemical works in Siberia as well as more orders in connection with the huge Kursk steel project.

But German experience since Mr. Brezhnev's first visit to Bonn five years ago this month has shown that progress is hard and the road between orders and realisation long.

Krupp in Russian deal, Page 5
Feature, Page 22

Lonrho

have been a cash alternative in the Lonrho offer.

The document dismisses claims that SUITS trading activities would significantly benefit from a takeover by Lonrho. It points out that Lonrho achieved a 24 per cent stake in SUITS just over a year ago—were approximately £165,000, "less than one quarter of 1 per cent of SUITS turnover last year."

The three directors stress the importance of Scotland of an independent SUITS. This has been one of the main planks of the argument put to the Office of Fair Trading that the Lonrho offer should be referred to the Monopolies Commission. The OFT decision is not expected until later next week, if then.

The document includes a pre-tax profits estimate for the year ended April 1 last of £8,350m., a 44 per cent increase. Estimated turnover for the year, £88,530m., is 19 per cent up. The directors intend to propose a final dividend of 5p, which would make a total payment for the year 7.25p a share—a 47.5 per cent increase.

Sales denied

Meanwhile Lonrho's chief executive, Mr. "Tiny" Rowland, in a letter to SUITS shareholders, has firmly denied that the group has any plans to sell off SUITS assets for cash. "Policies of that kind are not characteristic of Lonrho," he said.

Mr. Rowland also says that the current price of SUITS shares "and the resulting price/earnings ratio are largely due to the presence of Lonrho's offer. He refutes the suggestion that the current offer should contain a cash element."

"When we bought our first shareholding of about 24 per cent, we paid 95p cash against the then market price of 78p ex-dividend. Now 14 months later you can sell your shares in the market at about 117p, largely because of our interest."

The popularity of British mining organisations for the running of foreign operations is based to some extent on the strict policing system placed on the industry within the U.K. by the Gaming Board.

Under the terms of the new contracts, Coral will provide management and supervisory staff in the two casinos. About 55 London staff will be needed, and 200 will be trained locally.

Spanish clientele while in Marbella probably will rely more on tourists.

Roulette, blackjack, punto banco and chemin de fer will be featured at both clubs.

Marbella's Casino Nueva Andalucia was built six years ago and is a single-storey building overlooking the beach. Complete with theatre and night club, it can accommodate 2,000 people.

House, International Sporting and the Palm Beach. It has won two of the contracts for Spanish casinos of the four that will open this year.

Initially, these are management-only deals, but there is a prospect of Coral's taking an equity interest.

The second Coral club will be in Santander in northern Spain. The northern club is likely to have a domestic

Marks falls short of expectations

THE LEX COLUMN

The money markets continue to be dominated by fears of an imminent rise in M.L.R. Since the Budget, the three-month interbank rate has risen by 11 per centage points and with short term rates discounting a 9 per cent M.L.R. the only question seems to be the timing. The authorities may try to hold out for another week, however, in the hope that favourable statistics might sway market sentiment.

Index rose 2.3 to 471.9



MARKS AND SPENCER

Marks and Spencer disappointed the stock market yesterday, reporting pre-tax profits only 15 per cent higher at £22.7m., but this year profits are struck after allocating £1.9m. to a new profit sharing scheme for U.K. employees, while there is an additional pension topping-up charge of £1.6m.

That only accounts for part of the difference. In addition, it seems that 1977-78 was not quite the year for sales that Marks itself had anticipated. At the half-way stage the company talked of price mark-downs totalling £12m. as a result of the disappointing summer season. That pattern was repeated in the second half, to give total stock write-downs for the year of £20m., as against £14m. the year before.

Nevertheless, during a period in which retail sales volumes declined across the board, Marks and Spencer has managed to increase its volume of non-food sales by 11 per cent, while food volume is 2.3 per cent up. On the overseas side, export sales growth fell back a little in the second half but in Europe sales are 37 per cent higher at £191m., largely thanks to a new Paris store. However, Lyon shows no sign of making a profit, and more start-up costs leave Europe as a whole with a loss of £1.6m. The Canadian business traded profitably in the second half, but, despite surgery, this was not enough to produce an overall profit.

Compared with competitors like British Home Stores, M and S is still putting up a strong showing. But with the group having to look for growth in tough overseas markets a fully taxed p/e of almost 17 is asking a lot.

P. & O.

P and O's reported pre-tax profits are over a third higher at £42.8m., but after adding back the previous year's £12.8m. provision

Sainsbury

Sainsbury has come through the first battles of the supermarket price war relatively unscathed. Second half net margins in retailing have dropped from 4.4 to 3.7 per cent, but the 1977-77 margins had been exceptionally high. Although the group's more aggressive pricing

Weather

U.K. TO-DAY
SUNNY intervals and showers.
London, S.E. Cent. Southern,
Cent. N. England, E. Anglia,
Channel Islands, E. Midlands.
Mostly cloudy, with rain. Max.
12-13C (54-55F).
N.W., S.W. England, W. Mid-
lands, Wales
Sunny with showers. Max. 13-
14C (55-57F).
Lakes, Isle of Man, N.E.
England, Borders, S.W.
Scotland, N. Ireland
Cloudy rain at times. Max. 8-
9C (48-49F).
Cent. Highlands, N.E. and
N.W. Scotland
Cloudy, occasional rain. Max.
7-9C (45-48F).
Orkney, Shetland.
Sunny intervals, showers. Max.
7C (45F).
Outlook: Cloudy with showers.

BUSINESS CENTRES

profits are over a third higher at £42.8m., but after adding back the previous year's £12.8m. pro-

Weather

U.K. TO-DAY

HOLIDAY RESORTS

N.W., S.W. England, W. Midlands, Wales
Sunny with showers. Max. 13-14C (55-57F).
Lakes, Isle of Man, N.E. England, Borders, S.W. Scotland, N. Ireland
Cloudy rain at times. Max. 8-9C (48-48F).
Cent. Highlands, N.E. and N.W. Scotland

strategy has not brought higher profits—all of the year increase from £26.2m. to £27.6m. per-tax came in the first half—it appears to have been successful in generating an improved market share.

Thus for the second six months to early March turnover was up a fifth, representing a gain in volume of 8 per cent against 4 per cent in the first half. For the last quarter, more over, taking in the early weeks of the Discount '78 campaign, Sainsbury claims a 22 per cent turnover gain, some 15 per cent of this being volume. By the year-end the claimed market share for food retailing was 8.1 per cent, against some 6.9 per cent, two years earlier.

So far so good. At this pace Sainsbury can cope with the recent pay settlement near the industry's 12 per cent level even out of a reduced growth margin. And selling space is set to rise 7.2 per cent this year against 6.1 per cent, in 1977-78. But the market is likely to take a cautious view of such unstable growth and the grocery trade and the year at 178p is an exciting 5.2 per cent. For what it is worth, analysts' expectations of 1978-79 profits are at the £29m.-£32m. range.

Suits

The three directors of Scottish and Universal Investments who are opposed to the bid from Lonrho have published a rolling defence to the Lonrho offer. They hint that SUITS' stake in House of Fraser (now worth £18m.) and in whisky distilling could be worth the value put on the whole company by the offer (£140m.) and they put the present net assets of the company at £88m. without bothering with formalities like potential capital gains liabilities.

A swift move to ED 10 treatment of deferred tax pushes reported earnings to a much higher plateau, and the three promise that they will try to persuade the other five directors to push up the dividend for the year just ended by nearly half.

All good clean fun. But Lonrho's offer is far from generous on the basis of profits of £6.4m. now disclosed by SUITS, and the shares at 118p would not have far to fall if Lonrho's bid, worth 130p, were to fail. However the key question concerns the likely attitude of the Office of Fair Trading. To judge by the length of time a decision, its appraisal involves a fair amount of agonising.

Amos

rewards experience

Take the 09.00 from Victoria to Brighton or head South on the M23 towards Europe's premier exhibition concerned with persuasion, motivation, inventiveness and incentives... and where increasing market share, turnover, performance and productivity are top of the agenda.